Largest Circulation of any Canadian Financial Paper

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Canadian Mining News Department Last Four Pages

Vol. XXII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, AUGUST 17, 1928 | 10c. a Copy; $5.00 a Year | No. 33

The Nation's Business

Migration Balance with United States Favors Canada

Rural Credits in Force in Fall

But No Rush for Loans is Expected

CANADA is still losing many citizens to the United States but is getting more citizens than it is losing. The figures just issued from Washington showing the total number of Canadians entering the United States, to take up permanent residence in that country, during the year to June 30 are disappointing, even though less than the previous year's total. The American figures show 73,154 such immigrant arrivals from Canada as against 81,506 in the previous year. This was a net decline of over 8,000 for the period. The decline in the previous twelve months period had been 9,500. Apparently the "trek" is dwindling though dwindling rather slowly. It is hard to say what is the irreducible minimum of Canadian emigration to the United States. The fact that the two nations lie alongside of each other is bound to ensure a constant stimulus to movement of people back and forth, especially when the restrictions on such movement are so moderate as they are to-day.

After all, what counts is the balance of immigration between Canada and the United States. During June, 4,346 Canadians left Canada to take up permanent residence across the border. In the same month 3,526 Canadians, who had gone to the United States to take up residence there, returned to this country. But there were in the neighborhood of 3,000 Americans who came to Canada in June. The net advantage was distinctly in favor of Canada.

Distinctly good business conditions in Canada and a high level of employment here are bringing Americans and ex-Canadians to Canada. The same factors would bring larger numbers of British and European immigrants to Canada if our immigration policy were not restrictive in its very nature.

ALTHOUGH the rural credits scheme of the Dominion government will go into effect this fall, with three provinces joining in the scheme, it is unlikely that there will be any great rush to borrow. The demands for the intermediate credit supplied by the scheme will probably reach a certain modest point and will then show little change. It is quite probable that the needs of agriculture for loans that lie somewhere between the function of the chartered banks and the function of the established loaning institutions have been considerably exaggerated. In any event the new scheme can hardly be said to cover this "barren credit area." Ontario and Manitoba now have provincial farm loans schemes but they have not reached the development one might have expected if one had judged from the strenuous efforts that were made to have them introduced. Under the federal scheme with provincial co-operation, Alberta, British Columbia and Nova Scotia will be added to the list of provinces furnishing loans in the so-called "barren credit area" between the banks and the loan companies. British Columbia and Nova Scotia, with prosperous groups of farmers are not likely to be large borrowers. Alberta probably does not need intermediate credit so much as a sound basis of borrowing security for ordinary mortgage loans. Many loaning institutions withdrew from Alberta because of unsound legislation introduced by the province. While some of these institutions have again made mortgage money available for farm and city loans in Alberta, it is chiefly because the present government is showing some disposition to correct the evils that are present.

LAST March the government let it be known that the Federal Farm Loan Boards would be constituted within about two months. The board has not yet been formed. This indicates no pressure from the farm leaders to get rural credits going. One reason is that the farmers are disappointed with the rural credit measure. They thought that they could get borrowed money at below current rates through governmental intervention. Now they find that it is going to cost them at least 7 per cent. to borrow. And another reason is that the government rural credits measure did side-step the question of "intermediate credit" entirely. The chief reason is that Prof. H. M. Tory, who studied the question for the government, was unable to find any satisfactory intermediate credits measure that he could recommend.

Thus, as was intimated in The Financial Post when the rural credits measure was up in the House of Commons, the system is likely to prove somewhat innocuous.

Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Aug. 15	$ 82.2	$ 79.5
Week of Aug. 8	83.8	78.4
Month of August, 1927	75.7	67.0
9 Bank Stocks		
Week of Aug. 15	$297	$294
Week of Aug. 8	297	294
Month of August, 1927	276	254
10 Public Utilities		
Week of Aug. 15	$105	$102
Week of Aug. 8	107	102
Month of August, 1927	101	93

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	4	2	3	9
Paper	12	2	3	17
Steel	13	8	22	43
Foodstuffs	18	16	21	55
Utilities	12	6	14	32
Tractions	2	3	8	13
Textiles	6	2	11	19
Industrials	24	49	39	112
Total	91	88	121	300

GOODYEAR WILL BUILD NEW PLANT

Big Addition in New Toronto to Increase Output 33%

PROFITS ARE GOOD

Tire Tonnage Up More Than 26 Per Cent.—Outlook Good, Says President

Despite the adverse factors that have entered into the manufacture of rubber goods this year, including the tremendous upset in the crude rubber market and the ensuing radical revision in the price of the finished product, the Goodyear Tire & Rubber Co. of Canada will conclude its present fiscal year some six weeks hence with the best production and earnings' record in the history of the company. Present official figures show an enviable financial position, with sales and profits piled up despite the lower price now being received per unit; and there is no doubt now but that the company showing at the year-end will establish new records all along the line.

Production for the ten and a half months to date has been more than 26 per cent higher than for the corresponding period of last year, in point of tonnage and number of units; and orders on hand assure that this ratio of increase will not only be maintained but be somewhat exceeded for the last few weeks of the year. In the words of C. H. Carlisle, president of the company: "We have orders for every scrap of rubber we can manufacture between now and our year end; and with plants operating at top capacity this means some 9,200 units a day."

Big New Plant

Actually, present plants as increased a year ago were intended to maintain a steady flow of about 6,000 tires a day; but to meet increasing demand for tires, production has been speeded up repeatedly until now the maximum possible under present facilities and with twenty-four hour production has been reached with an output of 9,200 tire units per day. As a matter of fact, the present plant, is totally inadequate to the company's new production needs; and the announcement is now officially made of a substantial addition to buildings and plant to be commenced almost immediately and completed at as early a date as possible.

The new addition to plant will consist of a four-story and basement brick structure some 300 feet long by 100 feet deep, extending the long way along the highway frontage. This new manufacturing unit will be completely equipped to efficiently turn out all sizes of finished tires, and will increase the company's output facilities by about a third bringing the output per day up to 12,000 casings.

Can Quadruple Plant

The new building will be erected in conformity with original plans for expansion of the company and will bring the highway building frontage up to nearly a fifth of a mile.

It is not generally known that Goodyear has tucked away in its strong box architectural plans made when the original installation of the first unit was built, which provide for the building-over in proper sequence of the entire 27 acres owned by the company. As a matter of fact, the most scientific analysis of the industry and its space requirements were carefully gone into by experts before the first sod was turned for Goodyear's New Toronto plant; and the initial and subsequent units have been built closely in conformity with these plans that provide for a continuous flow of the product through the factory with no waste effort or space from the time the crude is received until the finished product is loaded on to freight cars or trucks at the shipping room doors.

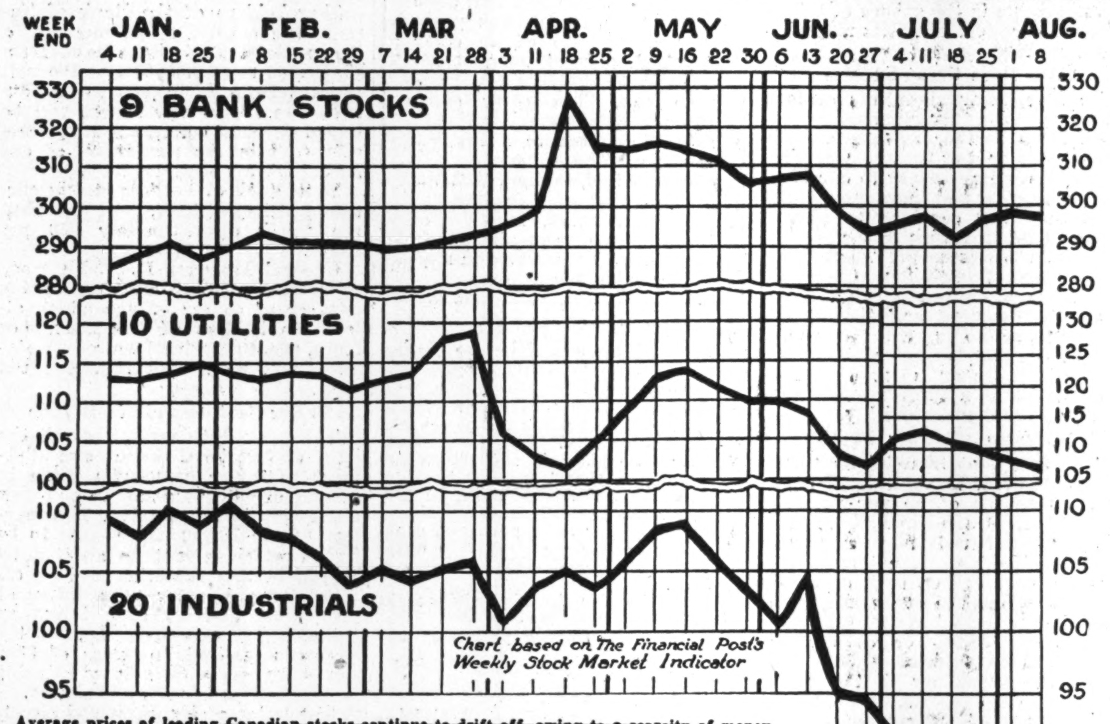
Profits Are Good

In fact, to the careful laying-out of this plant by Mr. Carlisle and his associates, is attributed a good deal of Goodyear's success; because all the component parts of the tires can be handled in the most economical manner possible thus cutting down production costs and realizing profits when even the spread between manufacturing costs and sale price is narrow. This is one of the reasons Goodyear is able to stand the new cuts in tire prices and still proceed to make a fair profit.

And profits this year will very likely exceed the highest previous year. Though it should be borne in mind that while tire tonnage is up 26 per cent. this does not mean gross sales value has increased anything like this extent. As a matter of fact, it is stated that dollar sales of the company's product for the twelve months will not greatly exceed last year; and so it is upon these dollar sales that profits must be realized. there should not be too great optimism as regards actual profits' increase. But certainly the showing will be satisfactory in this respect.

As regards the future of the in-

(Continued on page 2, col. two)



Average prices of leading Canadian stocks continue to drift off, owing to a scarcity of money for stock-market purposes. Canadian banks generally are not loaning new funds against brokers' collateral, with the result that buying is professional in character and markets are narrow. The accompanying chart illustrates the weekly averages compiled by The Financial Post. It will be observed that the nine bank stocks have remained the steadiest of the three groups, thanks probably to the rise in the Standard Bank shares prior to the announcement of the merger. The utilities received a blow earlier this month but the downward course of the industrials has been steady. The nine bank stocks are: Can. Nationale, Commerce, Dominion, Imperial, Montreal, Nova Scotia, Royal, Standard and Toronto. The ten utility stocks are: Bell Telephone, Consumers Gas, Inter. Utilities "A", Montreal Power, Power Corp., Shawinigan, Canadian Pacific Railway, Brazilian, Twin City and Winnipeg Electric. The twenty industrial stocks are: Abitibi, Brompton, Port Alfred, Canada Power & Paper, B. E. Steel 1st Pfd., Dominion Bridge, Massey Harris, Page-Hersey, Steel of Canada, Alberta Pacific Grain, Canadian Canners, City Dairy, Dominion Stores, Dominion Textile, Canada Cement, Consolidated Smelters, National Breweries, Asbestos, Goodyear Tire, and Dominion Glass. A change in the scale in the utilities chart will be observed; this is occasioned by the substitution of more active, representative stocks in the compilation of the indicator beginning July 1st. A similar change was made in the list of industrial stocks, but the average price for the new list remained virtually the same as for the old through the week when the substitu tions were made.

Shawinigan's Future Gains in Brilliance as Output Grows

Adds 80,000 h.p. to Capacity—Chemical Subsidiary Doing Well

764,000 H.P. SOON

Chemical Plants to Become Outstanding Field of Operations—Will Increase Profits

From Our Own Correspondent

MONTREAL.—The Shawinigan Water and Power Company is installing two new units of 40,000 horsepower each at one of its Shawinigan Falls plants. One of these units will be installed and in operation by the end of the year; the second will begin operating in 1929. The addition of 80,000 horsepower to Shawinigan's present developed power resources will give the company water powers developed to a total of 764,000 horsepower.

Thus, Shawinigan, despite the growth of such major factors in the power field as International Paper, is maintaining its position as the largest power company in Canada. In addition, by its recent acquisition of the power sites on the upper St. Maurice river, the company has again increased its ultimate potential development possibilities, to an amount which assures the preeminence of the company in the most prosperous industrial area of Quebec for many years to come at least.

No Special Demand

The addition of the new large generators at Shawinigan Falls has been undertaken to meet no special increase in the demand for power from any one source. The expansion has been designed to meet the normal increases in the demand for power in the territories served.

From an investment angle, the present expansion is the more satisfactory as it indicates clearly that any decline in the demand for energy from the company's lines from its pulp and paper customers is being more than offset in other fields. Incidentally, the lower scale of activity prevailing in the newsprint industry has not affected Shawinigan's revenues, the reason being that the pulp and paper companies purchase their power en bloc under long term contracts and pay for the power whether it is all used or not. As a matter of fact, most of the pulp and paper companies which, due to the present conditions prevailing in the industry, have a surplus of power, use the surplus to generate steam.

Chemicals Equally Promising

While Shawinigan's development along power lines is interesting and supports the belief in Shawinigan as an investment stock, yet perhaps the outlook for one of the company's subsidiary activities, namely, its chemical plants, gives promise of equally great future development—development which ultimately may place the profits operated by Shawinigan Chemicals, one of the really outstanding fields of the company's activities—particularly from a revenue standpoint.

H. S. Read, the head of the Shawinigan Chemicals, left for England

(Continued on page 2, col. four)

Dominion Glass Maintains Profits

From Our Own Correspondent

MONTREAL.—It is understood that the earnings of Dominion Glass for the current year which ends September 30 next, are being maintained at last year's level, which represents $9.25 a share on its common stock. The increasing demand of the breweries and distillers for bottles has been one of the bullish factors back of the stock. While Dominion Glass' balance sheet shows over $3,000,000 as a good will asset, this unsatisfactory feature of the report is offset to a large degree by reserve and surplus account larger than the goodwill account and by its remarkably sound working capital position.

TIGHTER CREDITS IN CANADA SEEN IN BANK REPORT

Loans of Banks Are Down as Are Also Deposits

Call loans in Canada of Canadian banks declined by over one million dollars in June. This was the first decline in the rapidly mounting call loan business of Canadian banks which has carried Canadian call loans to nearly $100,000,000 above figures of one year ago. Call loans in Canada at June 30 were $268,017,032.

On the other hand, call loans outside of Canada declined from $262,742,355 at the end of May to $239,769,502 at the end of June a decline of $22,000,000. The figures seem to suggest that the banks, in taking money out of the stock market to meet industrial and agricultural needs, called loans in New York rather than in Canada.

Deposits are Down

Savings and current deposits of the banks at home and abroad showed a net decline of about $68,000,000 but current loans at home and abroad decreased by only $29,000,000. Advances from the Dominion government under the Finance Act increased by $10,000,000.

The bank statement for June thus reveals a general tightening up in the credit situation in Canada. A year ago, in June, the bank statement was marked by increases in deposits as well as current and call loans.

NEW HIGH RECORD FOR P. T. LEGARE CO.

Sales and Profits Are Substantially Higher—Outlook Good

Record sales for the first half of 1928, and prospects for an equally good second half year, is the official report regarding P. T. Legaré Limited. Sales increased in the first six months of 1928 some 15 per cent. over 1927, establishing a new high record for the company; and, moreover, profits increased proportionately, establishing both new gross and net records for the company. On present basis of operation, the preferred dividend will be earned several times this year.

The company has just declared the regular quarterly preferred dividend at the rate of 7 per cent. per annum. This is payable on September 1, at which time the half-yearly interest on the preferred, 6½ per cent. bonds, will also be met.

181 STOCKS SHOW DROP OF 17 POINTS

Average Decline from Year's High is That Much

One hundred and eighty-one stocks traded on Canadian exchanges in the week ended August 7 were down an average of 16.69 points from the year's high. A similar compilation made by The Financial Post for the week ended June 19, showed 181 stocks down an average of 14.29 points. The summer decline so far has been 2.4 points on the average.

The paper stocks still show the most substantial decline from the year's high, the average being now 41.4 points. But in the seven weeks between June 19 and August 7, the paper stocks on the average dropped only 4 of a point, indicating that the drastic readjustment prior to June 19 was nearly adequate, from a market point of view, for the time being at least.

Bank Stocks Down, Too

Despite the rise in the market value of Standard Bank shares prior to the announcement of the merger with the Canadian Bank of Commerce, the average value of the nine bank stocks shows a further drop through the summer. These are now down 40.05 points from the year's high.

Utilities show the greatest drop between June 19 and August 7. This came largely on August 6, when a drastic readjustment affected the Montreal market, where utility shares are largely traded. Utilities now are down 22.1 points from the high, or 5.2 points lower than on June 19.

While C.P.R. Gains

Hot weather has seen the next most serious decline in the textiles and after this group the steel have suffered. The traction group, which is about evenly split between the Montreal and the Toronto markets, have declined nearly as much as the other utilities. The transportation group, C. P. R. and Canada Steamships, is the only group which shows a gain since June 19. While the railway has gained seven points, Steamships has dropped four points, making the average gain 1.5 points. It will be noted in the accompanying

(Continued on page 2, col. two)

Investors' Index

INDUSTRIALS, UTILITIES, ETC.

Algoma Steel	10	H. Walker's	1
Abitibi	8, 9	Inter. Util.	9
Brazilian	9	Inter. Prop.	9
Brompton	9	Inter. Paper	2, 8
Can. Brewing	9	Lake Sup. Corp.	10
Can. Biscuit	1	Loew's Buff.	3
C. P. R.	3	Loblaw's	9, 11
Can. Indus. Alco.	2	Maple Leaf Mill.	5
Consumers Gas	4	Pure Gold Mfg.	5
Can. Vickers	5	Robinson Cone	5
Dom. Woollens	9	Stanford's	5
Dom. Bridge	3, 9	Shawinigan	1
Dist.-Seagram	9	Smelters	9
Eng. Electric	1	Steel's Cons.	4
Goodyear	1	Toronto Brew.	5

MINES

Alberta Oil	17	McIntyre	17
Alexandria G.	18	McMillan Gold	17
Abana	20	Marriott	18
Astoria	20	Mint Ore	18
Rand Ore	20	Malrobic	18
Bidgood	20	Nipissing	20
Big Missouri	17, 18	Newbec	17
Britannia	20	Noranda	17
Central Man.	17, 20	Oro Grande	17
Cold Lake	18	Pioneer	18
Eldorado	18	Premier	20
Gabrielle	17	Pend Oreille	18
Grand View	20	Sherritt-G.	18, 20
Huronian Belt	18	Smelters	17, 18
Int. Nickel	17	San Antonio	17
Jay Copper	20	Thompson-C.	18
Keeley	18	Treadwell-Y.	18
Lartic	18	Topley-R.	20
Mond Nickel	17	Vipond	18

QUOTATIONS

Bonds	16	Listed Stocks	16
Calgary Stocks	19	Mining Stocks	19
Unlisted Stocks	6		

REGULAR DEPARTMENTS

Editorial 6
Business Review 7
Pulp and Paper 8
Your Investments 9
When Women Invest 9
Insurance 12
Banking 13

SPECIAL ARTICLES

Farm Labor Situation Calls Out for Solution 6

SPECIAL SECTION

Fraternal Insurance 12

CAN. BISCUIT OUTLOOK SEEN AS UNCERTAIN

Say Shareholders Soon to Meet to Discuss Situation

PAY INTEREST SO FAR

Earnings Said to be Less Than $143,000 Required For Bonds; Further Competition in Offing

It is expected that a meeting of shareholders of Canada Biscuit Co. will be called soon to consider a situation viewed by some shareholders as gloomy. The company is an example of a merger which so far has not worked satisfactorily.

Public investment interest in this company is confined to the $2,200,000 of bonds which were floated late in 1926 and early in 1927. The $3,519,000 of 7 per cent. cumulative preferred stock was given to the owners of several factories taken into the merger in payment for their equities. No dividends have been paid on this preferred.

Interest Not Earned

Bond interest so far has been met but there are rumors that earnings for 1927 were not quite equal to bond interest requirements of $143,000 annually. Conditions in 1928 are not believed to show any improvement over 1927. There is ample security for the bonds, which are quoted 96 to 98 by dealers in unlisted securities, but it is thought that the company may have to go through some reorganization before earnings will be sufficient to meet interest requirements.

"The company has issued no report since its organization. There have been several changes in the management of several of the constituent plants.

Problems of co-ordination of widely scattered plants have been accentuated by the keenly competitive conditions in the biscuit business in Canada in the last several years. The most successful company in this business has been Christie, Brown & Co., Toronto, which confines its manufacturing under one roof.

National May Expand

But there are indications that Canada Biscuit Co. may lose the advantage of being the only company possessing plants in several cities. National Biscuit Co., which now owns Christie, Brown & Co., some time ago allowed it to be known that it is surveying the market for further plants in Canada and more recently has come word from an authoritative quarter that Christie, Brown & Co. may be operating branches in Montreal and Winnipeg. Christie, Brown & Co. now operates a warehouse in Montreal.

Are Numerous Holders Sick of Walker's?

"What is the most attractive stock on the Canadian market?"

This question this week was asked a Toronto financier who has made pots of money in the stock market.

"Walker's," he replied unhesitatingly.

"But Walker's has the defect of a lot of others," the inquirer remarked. "It never goes up."

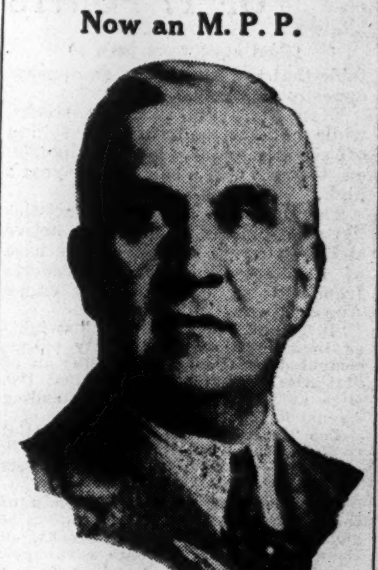
"True! Too true," quoth the financier.

"Yet," he continued, "the company is making money rapidly and I have made money by buying stocks when everyone else was sick of them. It sometimes takes courage, but I find it pays."

Are many holders sick of Walker's?

Eng. Electric Plan Meets Opposition in Some Quarters

Now an M.P.P.



W. C. SHELLY,
vice-president and general manager of Canadian Bakeries, large western bakery chain whose shares are listed in Eastern Canada, who was recently elected to the B. C. provincial legislature.

Quebec Judge is Asked to Intercede For Small Shareholders

WANT THE DIVIDENDS

Meeting Next Week at Montreal Promises Plenty of Real Interest

What promises to develop into a very lively contest—if it does not actually assume such dangerous proportions as to definitely "upset the applecart"—is scheduled for the special shareholders' meeting of the English Electric Company of Canada called by order of the Court to meet at the Ritz-Carlton Hotel, Montreal, at noon next Thursday, August 23, for the purpose of determining what shall be done about the proposed new capital structure of the company. To this meeting both preferred and common stockholders are invited, each to have a full voice in the meeting according to the strength of their holdings. The Court has appointed the president of the company, R. A. Stinson, as chairman of the meeting; and failing his presence, Gordon F. Perry of Toronto, chairman of the board of directors, will preside and be responsible for the report of proceedings later to be presented to the Hon. Mr. Justice Coderre.

The meeting has been called for the definite purpose, as mentioned above, of dealing with the recapitalization proposals; and said proposals, whether they are accepted as put forth, or considerably modified and altered—the latter being apparently the wish of a small group of shareholders—must receive afterwards the sanction of a judge of the Superior Court of Quebec before they can be put into effect. The reason for this is that the head office of the company since its inception, and so come under Quebec jurisdiction; for although the chief sales and executive departments were later removed to Toronto, the retention of the nominal head office in Montreal necessitates the changes in capital being dealt with there.

Some of the Features

The terms of the capital reconstruction as previously outlined in The Financial Post, are as follows: It is proposed to definitely cancel the 30,000 no par value common and the outstanding $2,000,000 8 per cent. cumulative preferred shares, together with the dividends of $720,000 that have accumulated on the preferred shares; and issue in their stead two classes of no-par value shares. The class "A" shares are to be issued only to preferred shareholders, in the proportion of two "A" shares for each preferred, and in addition the preferred shareholders will receive half of a class "B" share for each preferred share. The present common shareholders of English Electric receive share for share of new "B" shares for their old stock. Of the latter there are some 30,000 shares outstanding; and by this share exchange there will be utilized some 40,000 shares each of "A" and "B" shares, the remaining 10,000 shares of each category being retained in the treasury against future needs.

The new class "A" shares are entitled to $3 a share before "B" shares get anything, and another $1 with "B" share disbursement of the same amount. Thence "B" shares ride up to profit.

There are several features about the new scheme, some of which are pleasing to a large body of shareholders, and other features to which certain shareholders have already taken exception. For one thing the new capital structure, of course, definitely wipes out $720,000 of dividend arrears accumulated in more than four and a half years, and it also deprives the preferred shareholders of certain preference features such as might be theirs in the event of involuntary liquidation; and the cumulative or fixed charge dividend feature is gone.

The Main Objections

There are also some other features to which objection has been taken; objection which has definitely crystallized in a letter written to Hon. Justice Coderre, who is acting for the Quebec bench in the English Electric affairs. This letter is from a Buffalo firm of brokers who have been interested in English Electric for many years, and has kept certain American holders of the stock informed from time to time as to their investment. Here is the context of the letter addressed to the Quebec Judge:

In common with other stockholders of the English Electric Company of Canada, I have been notified of a special meeting of the stockholders of this corporation to be held on the 22nd of this month, to vote on a plan to change the company's capital structure. As I am unable to attend this meeting, I desire to voice my opposition to the plan as set forth in the communication from the board of directors, sent. I understand, to all stockholders under date of June 22nd, 1928, such plan being, in my opinion and in the opinion of preferred stockholders holding about 500 shares, whom I represent, eminently unfair, dishonest and decidedly discriminating in favor of the present common stock and against the interest of the present preferred stockholders.

I will enclose with this letter a copy of the official circular used by the underwriting bankers at the time the preferred stock was sold to the public in 1921. This circular contains copy of a letter signed by "Gordon F. Perry, chairman of the board of directors, which is interesting reading in the

(Continued on page 4, col. four)

WEST FEARS $1.00 WHEAT MAY RESULT

But Even at That Price Profit Can be Earned

From Our Own Correspondent

WINNIPEG.—Apprehension that we may be in for a season of dollar wheat has been caused by the recent precipitate drop in the market, with prices running forty cents a bushel less than those which prevailed but a short time ago, and also about forty cents a bushel less than those of the corresponding period a year ago.

The biggest bear factor in the situation is the prospect of a very large crop in both Canada and the United States. The latest government estimate gives this country a crop of a total wheat crop of 397,000,000 bushels. That is about fifteen million bushels more than last year, eighty million bushels more than the five-year average, seventy-five million bushels more than estimated on July 1st, and about one hundred and fifty million bushels more than was estimated at May first.

See Remarkable Recovery

In the spring the winter wheat crop of the United States seemed to have come through the winter very poorly, and seeding conditions for the spring wheat crop were also considered bad. But summer weather produced a remarkable recovery. At one time conditions seemed so unfavorable that it was estimated the United States might have little or no wheat for export this year. That held out the prospect that prices in the United States might go on to an export basis, and get some advantage out of the import duty of forty cents a bushel on wheat. Alarmed by such a prospect, mills were eager purchasers of wheat, running prices up to a high level, and even purchasing high protein wheat at prices up to

(Continued on page 2, col. three)

Newsprint Policies of the Financial Post Now Bearing Fruit

Premiers of Ontario and Quebec Meet Manufacturers Next Week in Endeavor to Take Measures Bettering Position of Industry

MONTREAL.—The repeated demands of The Financial Post for action to improve the situation occupied by the newsprint industry have finally budded, bloomed and brought forth fruit. A meeting of the newsprint men has been called for next week. The premiers of both Quebec and Ontario will attend the meeting. Hon. G. Howard Ferguson has just returned from Europe.

Apparently, it is intended to endeavor to work out some plan whereby the various mills, in an endeavor to increase their output, will not sell newsprint at prices that will not allow a return on the capital investment and which do not permit sufficient reserves to be sent up for the depletion of Canada's important natural resources—her forests.

Already Conferences Held

Already, conferences have been held by the executives of the various companies, so that when real negotiations commence next week between the industry and the two governments chiefly involved, it will be the more possible to formulate plans capable of being worked out along lines in the best interests of the companies and provinces involved.

It may be, of course, that no solution to the problem can be found. The industry is over-expanded and may simply have to take its medicine. But whether successful or not, negotiations of this character cannot harm the industry and stand every chance of improving its position. Even a slight improvement in the situation is one well worthy of achievement.

Five Days A Week

It is thought possible that an attempt at the meeting may be made to place all the mills on a definite weekly operating basis — perhaps five days a week. If such a step were successful it would go a long way in improving the situation which is due entirely to the over-expansion of the various companies.

If the premiers of Ontario and Quebec are successful in aligning most of the companies, they will be successful in aligning all. For no single newsprint company can afford to take any action opposed by the governments involved, the reason being, of course, that all the companies are more or less dependent on timber cut on Crown Limits. It may not be possible, though, to obtain an agreement among the leaders of the industry, acceptable to the provinces of Ontario and Quebec.

It is understood that the premiers of both provinces are ready to adopt any stabilization plan acceptable to the manufacturers. Further meetings of the producers will take place before the conference with the premiers. At these meetings some plan suitable to all interests may be formulated.

Supertest Outlook Is Still Satisfactory

Supertest Petroleum common has been weaker recently in the Toronto market in common with other stocks, but this condition is attributed to the market situation exclusively. It is believed that the company will earn close to $400,000 before depreciation in the current year.

An additional 10,000 shares of common were sold to the public at $27 a few months ago and the stock sold as high as 37 soon after. Following the issuance of rights, however, there has been a gradual decline in the stock, until at present it is changing hands around 28. There are not many trades. Rights are selling at 20 cents.

The company, as was announced in The Financial Post recently, intends to invade the Toronto field.

INTERNATIONAL'S REVENUES LESS THAN DIVIDENDS

Preferred Dividends Not Earned in First Half of 1928

PLAN APPROVED

Holding Company to be Formed — Profits Grow from Power

From Our Own Correspondent

MONTREAL. — During the first half of 1928 the International Paper Company and its subsidiaries profits were not sufficient to meet preferred dividend requirements. While the deficit for the first quarter was $1,043,229, the deficit for the first six months of the year amounted to $1,741,717; hence, the results obtained during the second quarter of the year were somewhat better than those of the first three months.

The comparison of this year's earning figures with those of a year ago are hardly relative as the company has expanded so largely during the past twelve months. The earnings shown in the company's statement do not include the undistributed portion of the earnings accruing on the common shares of the New England Power Association held by the International Paper Company. Some betterment in earnings can be anticipated as International Paper is now approaching the completion of its large hydro power development program. The Gatineau project has been built for a total installation of 562,000 horsepower of which 436,000 horsepower is now installed or will shortly be installed.

Cost at Estimate

The aggregate cost of the entire Gatineau system will apparently vary from the estimate by less than 1 per cent. The delivery of the International Paper first block of power to the Hydro Electric Power Commission of Ontario commences in October and additional deliveries of blocks of power take place in 1929 and 1930. Hence, earnings for the future should increase provided there takes place no further decline in the price of pulp and paper products.

The preferred stock of the company will be taken off the New York Stock Exchange on August 25 next. A majority of 7 per cent. preferred and common shares have been deposited in favor of the plan of formation of International Paper and Power Co. as a holding company. The time has been extended until September 30 for deposit of shares.

Earnings Figures

The earning figures of the company for the first three months and for the first half of the year follow:

	Quarter ending June 30, 1928	6 mths. ending June 30, 1928
Total revenue	$4,385,685.74	$8,774,813.48
Less—		
Depreciation	1,523,817.74	2,891,624.79
Int. on F. Debt	1,274,102.14	2,443,254.38
Amort. of dicst. on F. Debt	77,194.93	151,924.49
Res. for Inc. T.	95,000.00	215,000.00
	$2.970,114.81	$5,701,803.66
Net rev. available for dividends	1,415,570.93	3,073,009.82
Div. on Can. Hydro-Elec. Corp., Ltd., 1st pr. stock	187,500.00	375,000.00
Net rev. available for div. on Inter. Paper Co. stocks	1,228,070.93	2,698,009.82
Div. on Inter. Paper Co. pfd. stock	1,661,300.35	3,239,733.70
Div. on Inter. Paper Co. com. stock	600,000.00	$1,199,993.40
Total dividends	$2,261,300.35	$4,439,727.10
Bal. of net rev. or def. to surp.	$1,033,229.42	$1,741,717.28

DIVIDEND EARNED ON L. OF W. STOCK

Lake of Woods Report is Expected to Show Dividends Earned

From Our Own Correspondent

MONTREAL.—The annual report of the Lake of the Woods Milling Company for the fiscal year which ends August 31 next, will, it is anticipated, show that the dividend has been earned on the new stock. Lake of the Woods now has outstanding 140,000 common shares of no par value on which it pays $3.20 a year as against 35,000 shares of $100 par value last year on which it paid $12 a share a year.

Reports indicate that the company's baking subsidiary, the Inter-City Baking Company, which was a merger of formerly independent operators, is working out satisfactorily and providing a good domestic market for Lake of the Woods Production. It is not possible yet to forecast earnings, as the actual profits will depend on the prices prevailing for grain when the company values its inventory. Grain prices may fluctuate considerably before the close of its fiscal year.

AVAILABLE

An aggressive, energetic, well-balanced executive who has successfully filled responsible positions. Background is extensive, thorough and practical. Now Director of Sales for large Canadian corporation.

He is married, age 34, in excellent health; a Canadian with unimpeachable references and business record. He possesses an intimate knowledge of almost all Canada, is capable of creative thought and constructive ideas, and has the sales instinct, vision and energy to build up a business.

Box 500, The Financial Post, 143 University Ave., Toronto, Ont.

52 issues of The Financial Post will appear during the coming year. Each one will contain something about your investments or your line of business that you will want to see. Make sure of seeing these articles by arranging a regular subscription. One year, five dollars.

- - — — - Use this Coupon to Subscribe - - - —

THE FINANCIAL POST,
143 University Avenue,
Toronto.

You may send me The Financial Post for one year (52 issues).
☐ I enclose $5 (Indicate method of payment).
☐ Draw on me for $5.

Name ....
Occupation ....
Address ....

Average Stock Declines from Year's High; All Groups But One Down in Summer

No. of Stocks	Group	Average Decline to June 19	Average Decline to Aug. 7	Net Change Seven Weeks
181	All	14.29	16.69	—2.4
39	Curb	9.98	13.14	—3.16
9	Bank	37.95	40.05	—2.1
10	Paper	41.	41.4	— .4
23	Foodstuffs, etc.	14.4	15.2	—2.8
13	Steels	11.34	15.88	—4.54
12	Utilities	16.9	22.1	—5.2
2	Transportation	16.75	15.25	+1.5
7	Tractions	11.21	16.12	—4.91
5	Textiles	14.29	19.4	—5.11
26	General	10.88	11.3	— .42
20	Beverage	11.36	13.48	—2.12
4	Oils (under $10)	6.13	4.42	
8	Oils (over $10)		7.78	
3	Trust & Loan	9	10.5	—1.5

181 STOCKS SHOW DROP OF 17 POINTS

(Continued from page 1)

table that the only plus sign appears opposite this group.

Even the trust and loan stocks, while not active, have been selling off slightly and are now 10.5 points, on the average, below the year's high.

The Dominion bureau of statistics likewise reports declines in active stocks in recent weeks. On the base of 1926 equalling 100, the reports from Ottawa for the week ended August 9 is as follows:

"Investors'" and "Traders'" weighted index numbers of security prices, computed by the Dominion Bureau of Statistics on the base 1926 equal 100, were as follows for the week ending August 9:

The "Investors'" index of industrial common stocks was 164.5 for the week ending August 9 as compared with 168.9 for the previous week.

The "Traders'" index of prices of the twenty-five best selling industrial and public utility common stocks, on the Montreal and Toronto exchanges, was 378.1 for the week ending August 9 as compared with 386.3 for the previous week.

The "Investors'" index of domestic utility common stocks was 134.7 for the week ending August 9 as compared with 139.2 for the previous week.

The "Investors'" index for common stocks of companies located abroad in which Canadians are heavily interested was 142.9 for the week ending August 9 as compared with 146.6 for the previous week.

The "Investors'" index for all three groups of common stocks combined was 150.4 for the week ending August 9 as compared with 154.8 for the previous week.

Average weekly prices were higher for three and lower for twenty-two of the twenty-five stocks. Brazilian fell from $54.0 to $51.9, Shawinigan from $88.9 to $81.7, Can. Power and Paper from $33.5 to $27.7, Abitibi from $50.9 to $48.8, Quebec Power from $84.7 to $74.5, Steel of Canada from $184.4 to $169.6, Winnipeg Electric from $108.3 to $97.2, and Consolidated Mining and Smelting from $251.4 to $244.9. International Nickel rose from $96.7 to $99.3.

Sales were greater for 22 and lower for three stocks. Brazilian went up from 36,000 to 97,100, Dominion Bridge from 1,600 to 15,300, Montreal Light, Heat and Power from 1,800 to 9,600, National Breweries from 2,700 to 10,500, Shawinigan from 6,400 to 27,200, Quebec Power from 2,200 to 11,700, Winnipeg Electric from 1,600 to 6,900, Massey-Harris from 3,100 to 11,700 and Canadian Industrial Alcohol "A" from 3,800 to 8,900. International Nickel declined from 95,000 to 85,400 and Abitibi from 13,100 to 4,800.

The investors' index numbers measure the trend of values for the investor who buys a fixed list of stocks and holds them over a long period.

The traders' index measures the trend of gains or losses for an "average" trader on the Montreal and Toronto stock exchanges, who buys and sells the leading common stocks in the same proportion as they are traded in the market as a whole, and who turns over his investments every week.

GOODYEAR WILL BUILD NEW PLANT

(Continued from page 1)

dustry, Mr. Carlisle is quite optimistic.

"There need be no great concern about the crude rubber situation, now that the removal of the restrictions is being accomplished," he said to The Financial Post. "The rubber market will stabilize itself, and take its course with other world commodity markets. The restrictions formerly imposed—which officially cease on November 1st next—were artificial restraints that could not help but work out disastrously; and now that they are being removed, we need have no fear for our regular supply of rubber at fair prices for both manufacturer and producer."

Goodyear Tire is stated to have ample rubber supplies assured for months to come at reasonable prices. In common with other big rubber companies operating on the North American continent, Goodyear makes a point of being well advised at all times on the crude conditions; and there seems every reason to believe that with a free rubber market, profits will be greater for shareholders in the future than they have been in the past.

Certainly, there seems a good deal of optimistic faith in the company's securities on the part of insiders close to the actual operation of the company; and there is a strong opinion that the stock market position of the shares will strengthen considerably now that the crude rubber situation is being clarified and Goodyear has shown ability to weather the storm of the almost cataclysmic upset in raw rubber prices.

WEST FEARS $1.00 WHEAT MAY RESULT

(Continued from page 1)

two dollars a bushel or even more. Canadian prices were influenced upwards by the prospect that our wheat might be free of any competition from the United States in world markets. Now it seems probable that the United States may have anywhere up to three hundred million bushels for export. Much of it is already going overseas. The quantity actually exported might, of course, be much reduced should crop prospects for next year turn out to be poor. A considerable reduction in acreage planted to wheat this fall in the United States is to be looked for, because the present level of prices is not a paying one in the United States, and there will be a tendency for those farmers who can, to turn to other crops.

Pressure on Cash Wheat

Then last year's crop in Canada turns out to have been much bigger than at first estimated, with a total of nearly ninety million bushels of last year's crop still left on this side of the Atlantic, destined for export, at the first of July. No accurate figures on this quantity are possible, for while the quantities in store in terminal elevators are definitely reported, those in farmers' hands, in country elevators, on track and afloat in lake vessels, have to be more or less guessed at. Such a large carry-over exercised a severe pressure on the cash wheat market. However, under the stimulus of lower prices, the movement of this wheat to market during July and August has been very rapid, and it has left the terminal elevators at the rate of about a million bushels a day. We may yet find that by the time the new wheat is available on the market in large quantities, last year's crop is pretty well out of the way. But, on the other hand, that wheat, or the greater part of it, is not yet ground or eaten, and Europe's ability to make heavy purchases of our wheat at the tail end of one season, may make her a less eager buyer at the beginning of another season.

Millers May Escape Loss

So far our market has not been under pressure from the actual movement of new wheat, and it is yet problematical how it will behave. There will be some support from those who sold the October future earlier in the season, and will be buying to liquidate their contracts. There were a limited number of speculators who rushed to buy wheat when the advance of last May was on, and their losses in the market, while partly going to swell the profits of speculators on the short side, add an element of strength to the market, reflected in higher prices to the farmers than would otherwise obtain. There has also been a considerable amount of European buying of the October future on the way down. The millers who will take that wheat will be paying more for it than the price they might have paid, but they may be able to escape loss if they can hold the price of flour for a time to the basis of their actual purchases instead of the basis of the current market price.

Europe's requirements for wheat are estimated at from eight hundred to eight hundred and thirty million bushels for the coming year. If Canada has four hundred and sixteen million bushels for export, a quantity that may easily be exceeded, she will be able to supply half the total requirements. That would mean steady shipments throughout the year at the rate of eight million bushels a week, or well over a million bushels a day. Canada and the United States between them may be able to supply by far the greater part of Europe's requirements, leaving the possibility of some surplus supply when the production of Australia and of the Argentine are added in.

Orient May Buy More

On the other side of the picture it must be remembered that wheat near the dollar level is intrinsically very cheap, and that it would take a price from $1.35 to $1.40 to put it on the same comparative level with other commodities that existed before the war. At present price levels, there is the prospect of a good deal of low grade wheat being fed to livestock instead of being sold for grinding. There is always the possibility of the Orient taking a lot of wheat when prices are low, and some prospect of Russia having to import considerable quantities instead of exporting, as she did in pre-war times. Cheap wheat will not stimulate consumption very much in Great Britain, but it might result in large additional consumption in continental countries.

With such crops as are in prospect this year in the West, Western Canada can produce dollar wheat and thrive on it, but the dollar level is sufficiently low to drive a good deal of land in higher cost countries out of production. Should wheat get as low as a dollar it is reasonable to believe that economic forces will be set at work which before long would bring it back to higher levels, but how long that process would take is another question.

Imperial Spends Million in Regina in Year

With the completion of two storage tanks within the next few weeks, Imperial Oil will have spent $1,000,000 in Regina within a year.

Last year Imperial Oil spent $750,000 on plant equipment. This year equipment for preparing road oil has been completed at a cost of $50,000. The two new tanks, 120 by 42 feet, will have cost close to $175,000.

SHAWINIGAN GAINS IN BRILLIANCE AS OUTPUT GROWS

(Continued from page 1)

recently. In addition, Julian C. Smith, president of Shawinigan, is also overseas. It can be taken for granted that Mr. Smith is not abroad simply on a vacation as he is an indefatigable worker. This combination of circumstances is almost certain to indicate that some interesting developments in the sphere of Shawinigan's chemical activities may take place shortly.

Has Been Great Success

To date, Shawinigan has made a great success of its chemical subsidiary. Even further success may be anticipated in the future. Chemical industries are necessary to our present civilization and there is no doubt that they will continue to play a bigger part in future in the world's industrial development. There is no doubt that Shawinigan Chemicals has reached nothing like its maximum development and that eventually this subsidiary will become one of the company's most valuable assets—not only as a large user of power, but as a large revenue producer. It will grow quickly.

Indicates Growing Profits

The fact that Shawinigan Chemicals, Limited, is capitalized at 1,000,000 shares of no par value, is significant. If the Shawinigan management believed that eventually this subsidiary could not make reasonable earnings on each of the 1,000,000 shares, the outstanding stock would only have been issued to the extent of 100,000 or even 10,000 shares. Even dividends of $1 a share from the subsidiary to the parent company each year would fill a large percentage of Shawinigan's total dividend requirements on its 2,600,000 shares.

In Buffalo, N.Y., Shawinigan also has a one-third interest in the Niacet Chemicals, Limited, which it controls jointly with two of the largest chemical companies of the United States. The outlook for this company is promising and earnings are said to be more than gratifying.

Has Two Departments

The Canada Carbide Company, one department of activity of the Shawinigan Chemicals, is operating at well-nigh to capacity, producing 190 tons of carbide daily. About half the production is sold and the balance is used in the production of acetylene gas which is turned over to the other department of the Shawinigan Chemicals activities, namely, the Canadian Electro Products Company. In this plant, acetic acid and acetaldehyde are produced. There is a steadily increasing demand for the last chemical.

Develops By-Products

Recently, Shawinigan Chemicals developed a new by-product which is sold for use as ordinary wall plaster. Good progress is being made in the sale of this part of the output.

One of the reasons for the growth of Shawinigan's chemical subsidiary lies in the increasing demand for acetic acid in the artificial silk industry. Shawinigan now holds a number of important contracts with such producers as Courtauld's, which is planning to double its Canadian plant at Cornwall, Ont.

The two plants of Shawinigan Chemicals are both located at Shawinigan Falls. One operates under the name of the Canadian Carbide Company and the other as the Canadian Electro Products Company.

Industrial Alcohol to Stay Canadian

From Our Own Correspondent

MONTREAL.—Lord Shaughnessy is not in England endeavoring to sell the Canadian Industrial Alcohol Company to British interests—despite a rumor originating in one of the financial bulletins published here. The fact that gave rise to the rumor was probably the gossip of an offer which Industrial Alcohol received and turned down some time ago. The offer came from British interests and was said to amount to about $60 a share. Those close to the company feel, though, that the management of Canadian Industrial Alcohol, in view of the success of the undertaking, would not be interested in anything under $80 a share.

Western Cordage Co. Reports Bigger Sales

Canada Western Cordage Company, whose shares are largely held in British Columbia, is experiencing a year of record-breaking business, it is learned on good authority. The New Westminster rope plant is not attempting to compete in that low-profit business but is confining its trade to ropes. The main prairie demand is for ordinary utility ropes for farm purposes, grain elevator transmission ropes, bull wheel ropes and other ropes used in oil well drilling.

Production for the first six months of 1928 was substantially above that for the corresponding period of any other year.

Saltcoats, Sask., Gives Franchise to Can. Utilities

SALTCOATS, Sask.—Burgesses have granted a franchise to Canadian Utilities, subsidiary of International Utilities, to supply electric power to the community.

Power will be supplied from the Yorkton plant of Canadian Utilities. A transmission line to Saltcoats will be built immediately.

RIGHTS VALUABLE ON NEW SHARES BANK OF TORONTO

Increase in Assets Cited to Justify Addition to Capital

Shareholders of the Bank of Toronto are notified of an increase in the capitalization of the bank from $5,000,000 to $6,000,000 and the rest account from $7,000,000 to $8,000,000. The 10,000 new shares will be issued at $200 each to shareholders of record in the proportion of one new share for each five held.

With Bank of Toronto shares currently selling at $300, the rights thus are worth approximately $20 per share.

General Manager H. B. Henwood says that a letter advising of the number of shares of new stock alloted to holders of five shares or more, together with form of acceptance, will be mailed in about ten days.

73 Per Cent. Growth in Decade

The Bank Act does not permit the issue of fractional shares, and allotment therefore cannot be made in respect of odd shares above or below a number divisible by five. That portion of the 10,000 new shares to be issued which cannot be allotted by reason of this condition will be offered the public for subscription at such time and on such terms as the directors may prescribe, and the proceeds realized in excess of $200 per share will be distributed rateably to the holders of such odd shares.

The letter of Mr. Henwood directs attention to the fact that the assets of the bank have grown by 73 per cent. in the last ten years. This growth, in the opinion of the directors, warrants the stock increase. Bank of Toronto shares have a book value of $252 per share. Growth of the institution since organization is illustrated in the following table:

Year	Capital and Reserves	Deposits	Loans and Investments	Assets
1857	$ 439.148	$ 263,100	$1,103,078	$ 1,268,413
1867	1,007,489	1,633 298	2,972,351	3,689,544
1877	3,001,867	2,462,836	5,536,678	6,419,938
1887	3,270,054	4.798,980	8,055,683	9,320,248
1897	3,889,687	9,341,249	11,844,268	14,911,654
1907	8,650,708	25,407,593	32,021,510	38,097,288
1917	11.555,306	63,907,297	61,737,340	84,293,918
1926	12,480,772	88,439,254	89,852,163	115,754,855
1927	12,646,204	101,802,649	96,751,242	129,295,378

Montreal Dry Docks, Limited

First Mortgage Guaranteed 6% Bonds, due February 1st, 1948

Price: 99 and accrued interest to yield about 6.09%

Descriptive circular will be mailed upon request.

DRURY & CO
MONTREAL

360 St. James Street *HArbour 1254*

Canada's Greatest Values in Rugged Six Cylinder Trucks

OUTSTANDING in performance . . smooth, powerful, yet ruggedly enduring . . . eating up the roads and loads with an ease that spells real TON-MILE economy . . the new General Motors Trucks have taken first place on Canadian highways and in the minds of truck-wise buyers.

And, as they lead in performance, so General Motors Six-Cylinder Trucks lead in value, . . because they are made in Canada by General Motors. Back of them are the vast resources of General Motors, the economies of volume production and the skill of the world's greatest automobile organization.

In your business, if you need a truck, you need the performance, the stamina and the value that General Motors Trucks are offering. See the trucks . . check the prices and learn how much your truck-dollar CAN buy today.

T-728B

General Motors Six-Cylinder Trucks

T-11—½ Ton, Pontiac Engine — T-30—1½ Ton, Buick Engine
T-19—1 Ton, Pontiac Engine — T-42—2 Ton, Buick Engine
T-20S—1¼ Ton, Buick Engine — T-60—3 Ton, Buick Engine

Ask your General Motors Truck dealer for further details, or write to....

General Motors Products (Truck and Coach Division) Limited
Oshawa, Ont. Factories: Walkerville, Ont.

GENERAL MOTORS TRUCKS

GENERAL MOTORS GMC TRUCK

PRODUCT OF GENERAL MOTORS OF CANADA, LIMITED

FISCAL AGENT

The Bank of Montreal acts as fiscal agent on behalf of Governments, Municipalities and Corporations. This service includes the payment of Bonds, Coupons and Dividends. The Bank of Montreal is in constant touch with security markets at home and abroad.

BANK OF MONTREAL

Established 1817

Total Assets in excess of $860,000,000

Cold Storage Plant for Port of Halifax

MONTREAL.—Sir Henry Thornton this week laid the corner stone of a new ocean terminal cold storage plant in Halifax. The plant is being erected as the result of the co-operative effort of the Federal Government, the citizens of Halifax, private enterprises and the C.N.R. It is anticipated that a bond issue on the project will shortly be offered publicly.

The capital outlay involved in the undertaking amounts to some $1,700,000. The cold storage plant gives Halifax facilities which it has not had heretofore, and which should tend to increase imports and exports through the port. The name of the company erecting the plant is the Nova Scotia Cold Storage Terminals, Limited. It has been financed by Victor Drury, of Drury & Co.

P.S. ROSS & SONS Chartered Accountants Trustees in Bankruptcy, etc.

Established 1879

Montreal Toronto Winnipeg Calgary Vancouver

10 Adelaide St. East, Toronto

Gerald Jephcott, C.A. *Resident Manager*

ROBERT DODD & COMPANY

INVESTMENT BANKERS

THE ROYAL BANK BUILDING

MONTREAL, QUE.

Telephones—Harbour 8141-2: Harbour 2412

BANKERS' INVESTMENTS

When you are interested in high-grade securities, consult the manager at any Branch of the Bank. Service to the public, buying and selling, is arranged by the manager through the Bank's Bond Department at Head Office. This means that any security selected through our service is a bankers' investment.

IMPERIAL BANK OF CANADA

The Store for Men

LOOK MEN! STAY-DOWN SPORT SHIRTS

HERE is a shirt that will stay down. It buttons to the underwear, preventing any "creeping up" no matter what strenuous sport you may engage in. Finely tailored from a splendid white broadcloth in collar attached style. Sizes 14 to 17. Simpson's price, $2.50.

Street Floor.

The Robert Simpson Company Limited

State of Sao Paulo
(Empire State, Brazil)

Forty-year External 6% Bonds

PRICE: 94.50 and interest, yielding approximately 6⅜%.

State of Sao Paulo is the most densely populated and important commercial and producing State of Brazil. Area 112,278 square miles. Population 5,800,000 or fifty persons to the square mile. The Capital is the City of Sao Paulo with a population of 907,000.

This State is the great coffee-producing country of Brazil, and normally supplies more than 50% of all the coffee consumed in the world. There are other leading industries such as textile, clothing, shoes, furniture, hats, tobacco, etc. It is the chief cotton producing State of the Republic. The State is served by 4,800 miles of railroad.

Sao Paulo is also the chief centre of the Brazilian Traction, Light and Power development, and the State has unlimited power resources.

Moody's Rating on all the External bonds of the State of Sao Paulo is "A."

We recommend these bonds for investment. Full particulars upon request

BELL, GOUINLOCK & CO.

67 YONGE ST. ELGIN 2236

TORONTO

PLENTY OF FISH IN COAST WATERS FOR B.C. PACKERS

True, Sockeye is Off, But Pinks Prove to be Abundant

NO LOSS THIS YEAR

This is Encouraging Forecast Vancouver Makes This Year Regarding Companies in Field

From Our Own Correspondent

VANCOUVER.—What are the salmon prospects in British Columbia? That is what investors in British Columbia Packing shares are asking. Ask the government experts and they will reply with a wry face that they are not so good and they will show you charts indicating the slow but steady decline in the sockeye pack since the heyday of the mighty Fraser. But ask the fishermen themselves and their countenances will brighten up. "Salmon?" they'll say. "Why, the water's full of them. This talk of depletion is the bunk." And to support their confidence they will point to the heavy run of pinks.

So, you see, the salmon situation depends largely on the viewpoint and whether you are referring to sockeye or pinks or some other variety. The production manager of one of the largest packing corporations on the coast recently returned from a cruise which took him through the chief fishing grounds of the province. It is part of his business to scout for fish, size up the extent of the run. If his guesses are inaccurate the main function of his job has been mismanaged, but this particular executive, although a comparatively young man, has held his position for ten years.

"For sixty-five miles we were cruising through fish," he reported. "There'll be plenty of fish as long as the world wants them, but there must be common sense regulation of the catch."

Private Interests Co-operate

That is precisely what the government authorities are trying to achieve and the drastic regulations put into effect during the past year are an indication of the extent to which the government is resolved to go to preserve the country's fisheries heritage. Government officials say that the private interests are co-operating with them in a gratifying measure.

Although the sockeye and spring salmon packs in British Columbia waters are running below last year's levels, the situation is being saved by the heavy catch of pinks and chums, with the result that the total pack to July 28 was 324,076 cases as against 280,319 cases for the corresponding period last year.

While the heavy runs are in the low priced varieties and might lead to the conclusion that the canneries will realize less than in previous years, it must be borne in mind that the packers have brought about mergers and effected other economies that will greatly reduce their cost of operation, so that reduced pack will not necessarily curtail their earnings.

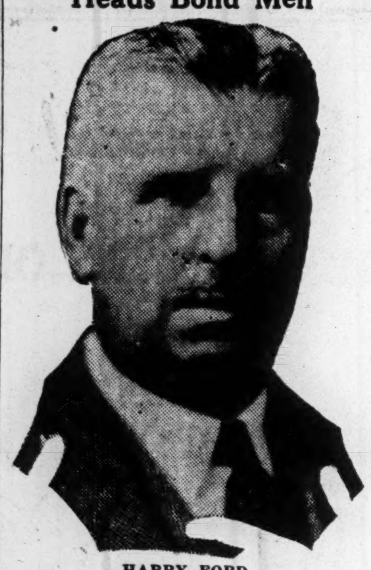
Avoid Red Ink

Executives of nearly all the important companies operating on the coast last year are willing to admit heavy losses in last season's activity. The loss will run well into seven figures and at least one company probably went down close to half a million dollars if not more. But these companies do not anticipate a repetition of last year's experience this season. They hope to avoid red ink in their ledgers.

The small pack of sockeye in the Skeena is mainly responsible for the disappointing catch of spring and sockeye in the province this summer. Last year the Skeena pack totalled more than 51,000 cases, but for the corresponding period this year it has been less than 22,000 cases. The Skeena pack of varieties other than sockeye, however, have been satisfactory.

An encouraging feature of the situation is the fact that the Fraser's yield of sockeye has shown a substantial increase so far this year.

Heads Bond Men



HARRY FORD, partner of Osler, Hammond & Nanton, Winnipeg, who was recently elected president of the Investment Bankers' Association of Canada. This is a new photograph.

LOEW'S BUFFALO TO BE REOPENED BUT RENT LOW

No Difficulties Likely for Stockholders, Mostly Canadian

Loew's Buffalo Theatre, built in 1921 and largely financed with Canadian money, has been leased at an annual rental of $78,000, out of which will be paid interest on the mortgage, taxes and other overhead expenses including, presumably, salaries of officers. The mortgage totaled $367,100 at the end of 1927; interest and amortization may require about $25,000 annually.

A letter from Max M. Yellen, president of the company, to a Toronto shareholder, says that the company probably will not be in position to pay dividends on the 8 per cent. preferred stock, of which there is $1,136,000 outstanding, for some time. The dividends now are in arrears since January 1, 1927. Mr. Yellen says that the lease which has been given is the best arrangement that could be entered into. He explains that the theatre was offered to each of the large motion-picture booking agencies but none was interested. Finally, a resident of Kenmore, N.Y., a Buffalo suburb, was induced to take hold of the property at a price which, after interest on the mortgage and other expenses, will leave nothing for shareholders.

Theatre is For Sale

Opened only seven years ago with a seating capacity of 3,300 persons, the Buffalo theatre was considered one of the most modern of its kind and was perhaps the most pretentious in Buffalo. Since, however, three other pretentious theatres have been opened in downtown Buffalo which were directly competitive and, with the abrogation of the lease by the Loew Booking Agency, suitable attractions were not available. Paramount-Famous-Lasky Corp. operates four theatres in Buffalo which are identified with the Michael Shea name.

Loew's Buffalo theatre is for sale, but a buyer is not likely to be found, it is believed, until the population of Buffalo increases to a point where there is business for the five or six large theatres in the downtown district.

Capitalization Higher

The Buffalo theatre was built when costs were high, which probably accounts for the heavy capitalization of the company, compared with the funded debt and capitalization of Marcus Loew's Theatres, Ltd., the Canadian company which owns both Loew's and the Uptown. The Buffalo enterprise has $1,136,000 of preferred stock and a mortgage of $367,100, or a total of $1,512,100, for one stage and a total seating capacity of 3,300. The Toronto enterprise has $653,900 of 7 per cent. preferred and funded debt of $301,000, or a total of $954,900, for three stages and a total seating capacity of 6,600 persons. The Toronto theatre, however, has not paid any dividends since 1924.

RECOMMEND C.P.R. FOR BOTH SHORT AND LONGER HOLD

New York Stock Exchange Houses Forecast Higher Rate

Canadian Pacific common stock looks very attractive for purchase either for investment or an expected advance in the market price, in the opinion of Prince and Whitely, New York stock exchange house. They say:

"After many weeks of listlessness, railroad stocks became more active and in a number of cases showed a rising trend during the past week. Rails, as a whole, have been for a long time, and still are, far behind the industrials, and it look as though many favorable opportunities for investment and trading for market profit are offered in the rail group. Among the best stocks is Canadian Pacific common.

"In the past, Canadian Pacific has been one of the natural leaders of all important upward movements in the railroad shares. A year ago it was one of the first to have a progressive advance, and while it has reacted somewhat from the high levels of late in 1927, it has maintained a strong undertone and has not lost its outlook for eventually selling at much higher levels.

"We believe that this stock has possibilities for a fairly good gain in the course of the next few weeks as well as having its long pull outlook for a decided advance.

"Many of the American railroads have shown a falling-off in gross and net earnings so far in 1928 as compared with the corresponding period last year. Canadian Pacific, however, has had a substantial increase in both gross and net during the first half of 1928 and there are prospects for heavy grain shipments and still further improvement in earnings during the second half of the year. While no immediate change in the present $10 dividend rate is anticipated, it is believed that in the course of time there will not only be an increase in the cash rate but also some form of stock distribution."

History and Property

Canadian Pacific Railway was incorporated in Canada in 1881. It is practically the only private railroad company in Canada, most of the other large and small roads being owned by the Dominion of Canada and under government operation and control. Canadian Pacific has various subsidiaries in the United States, of which the most important is the Minneapolis, St. Paul & Sault Ste. Marie Railway which in turn controls the Wisconsin Central Railway. Another subsidiary is the Duluth, South Shore & Atlantic Railway.

This railroad operates throughout practically all parts of the Dominion of Canada, its main line running from Montreal to Vancouver, a distance of nearly 2,900 miles, and it has many branch and leased lines. The total mileage of the Canadian Pacific System is over 15,000. The railway also owns and operates about 55 ocean and coast steamships with an aggregate tonnage of about 376,000, and about 20 lake and river steamers. This railway, through its subsidiaries, also owns a large number of hotels in various parts of Canada, and it owns grain elevators, parlor and sleeping cars, and has its own express, telegraph and news service. Among the important holdings of the company are agricultural lands in western Canada. Blocks of land are sold from time to time, with a total of 430,368 acres disposed of in 1927.

Another important activity of this company is in the operation of the Consolidated Mining & Smelting Co., which is practically half owned by Canadian Pacific. This mining company is understood to be very prosperous and to have a huge surplus which was acquired even after the liberal dividend record of past years.

The railroad properties of this company are mostly in western Canada, having the following mileages:

Province	Miles
Saskatchewan	2,713
Alberta	2,567
Manitoba	2,518
British Columbia	2,022
Quebec	1,675
Ontario	1,509
Algoma District	1,175
New Brunswick	875

In addition to the above mileages of approximately 15,000, the subsidiaries in the United States have about 5,000 miles of road, giving the entire System in excess of 20,000 miles.

Capitalization and Dividends

Canadian Pacific has approximately $340,000,000 funded debt, further details on which will be found below, and in addition guarantees as to interest only about $65,000,000 in bonds of its subsidiaries.

There are two classes of capital stock. There is outstanding $100,148,587 in 4 per cent. Non-Cumulative Preference Stock, par $100. The authorized issue is limited to 50 per cent. of the ordinary stock outstanding.

The authorized ordinary (or common) stock is $335,000,000. There is outstanding $288,913,400 ordinary (or common), including nearly $29,000,000 in new stock issued early in 1928 on subscriptions offered nearly a year ago.

The regular four per cent. dividend has been paid on the preference stock since it was first issued. Dividends have been paid on the common stock in every year since 1882, with the exception of 1895. Since 1912, the rate on the common stock has been $10 a share annually.

Earnings are $14 a Share

Canadian Pacific's earnings have included the income from railway operations and such dividends as have been paid by the subsidiaries. It is understood that many of the subsidiaries have had earnings far in excess of the amount paid in dividends to the parent company in many years.

The actual earnings reported by Canadian Pacific have averaged about $12 a share annually on the ordinary stock in recent years. The best year was 1926 when the net was $14.12 on the common.

The Income Account for 1927 follows:

Gross earnings	$201,145,752
Operating expenses	161,630,180
Net operating income	$ 39,515,572
Other income	11,876,559
Net available for fixed charges	$ 51,32,131
Interest, etc.	15,978,867
Net available for dividends	$ 35,413,264
Preferred dividends	4,005,944
Ordinary dividends	26,000,000
Added to surplus	$ 5,407,320

The above earnings are equal to $35.366 a share on the preference stock and $12.08 a share on the ordinary stock.

At the end of 1927 current assets were nearly $60,000,000 in excess of current liabilities, with a ratio of nearly four to one.

Position of Bonds

The leading bond of Canadian Pacific is called "Perpetual Consolidated four per cent. Debenture Stock." It is a fixed charge on the whole property excepting subsidy lands. The company earned its total bond interest about three and one-half times over during a long period of years. The Perpetual Debenture, an obligation which never matures, can therefore be considered and excellent investment. This, and other bonds, have back of them an enormous equity. Among other leading bond issues are the Collateral Trust 5s of 1934; the Collateral Trust 4½s of 1946 and the Secured Sinking Fund 4½s of 1944. Canadian Pacific guarantees interest on the Minneapolis, St. Paul & Sault Ste. Marie 4s and 5s of 1938.

Position of Preference Stock

Canadian Pacific Preference Stock, which has its best market in London, is also a high-grade investment. It is entitled to full voting power. It receives 4 per cent. non-cumulative dividends but would share equally with the ordinary stock in the event of a distribution of assets.

There are very large earnings and asset values back of it. It sells to yield about 4½ per cent.

Position of Ordinary Stock

During the first six months of 1928, the railway had $97,705,802 gross income, an increase of nearly $9,000,000 over the same period in 1927, and its net income for the first six months of this year was $16,451,737, an increase of more than $3,400,000 over the same period last year. There are indications of further gains in income and eventually for a dividend increase. On the present $10 dividend rate, the stock is selling to yield almost 5 per cent., and while money rates are high at the present time and such a yield may not look attractive at the moment, we believe that it is only a matter of time until a 5 per cent. yield on a good railway stock will seem to be very attractive to investors. This stock sold as high as 219 late in 1927, the best price in many years, but its record high was 283, established in 1912. The ordinary stock is listed in New York, Toronto, Montreal and London, and is traded in in Germany, Holland and France. It has more of an international market than almost any other security.

Dominion Bridge Co. Obtaining New Orders

From Our Own Correspondent

MONTREAL.—Although the shares of the Dominion Bridge Company have not been buoyant marketwise, yet physically the company continues to make progress. It is understood that the order from the C.N.R. for the new Halifax hotel and railway station amounts to 1,500 tons. Orders of this magnitude make but a small impression on the company's earnings. Nevertheless, it is the regular business of this character which has so strengthened the position of the company during the past year or two. Further large construction is in prospect; for instance, the new apartment house in Montreal which promises to be larger than any building of its kind yet constructed in Canada. It will use large quantities of steel. Dominion Bridge stands an excellent chance of obtaining the order.

In the West, the company appears to be doing a better business. It is said that the Vancouver plant will make a profit this year as compared with a loss on its operations during 1927.

Sound, Able Counsel
Prompt, Accurate Service
Crown Trust Company
Executors Trustees Agents
Safety Deposit Vaults
233 St. James Street
MONTREAL

The Weyburn Security Bank
Chartered by the Act of the Dominion Parliament
TWENTY-SEVEN BRANCHES IN SASKATCHEWAN
HEAD OFFICE - WEYBURN, SASK.
DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; M. A. Miller, Weyburn, Sask.; S. E. Oscarson, Fargo, North Dakota; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.
A General Banking and Foreign Exchange Business Transacted.

MAPLE LEAF
INDUSTRIAL
ALCOHOL
HIGHEST QUALITY—BEST SERVICE
Ethyl Alcohol — Cologne Spirits, Denatured Alcohol
(ALL FORMULAE)
We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the trade.
TRADE MARK
Canadian Industrial Alcohol Co., Limited
MONTREAL CORBYVILLE
TORONTO WINNIPEG VANCOUVER

MONROE
CALCULATING MACHINE
GIVES YOU—
AUTOMATIC, DIVISION
ADDITION
MULTIPLICATION
SUBTRACTION
Ask Us To Demonstrate
O. H. PIERCE
358 Adelaide St. W., Toronto
Distributor

EXECUTORS, TRUSTEES, ADMINISTRATORS
Guardians, Transfer Agents, Bond Mortgage Trustees
Savings Department
Real Estate Department
CHARTERED TRUST & Executor Company
46 King St. W., Toronto

CUSTOM MADE
SHIRTS
Reasonably priced
Write for Samples, Etc.
JOHN BUDD
110 Adelaide St. W., Toronto

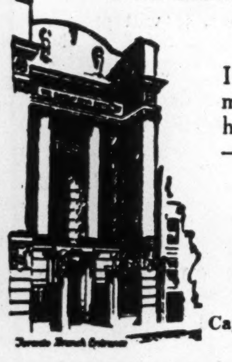
Member of F. T. D. A.
Dunlop's Limited
CHOICE FLOWERS
8 to 10 West Adelaide St.
TORONTO
Flowers Telegraphed Anywhere

Higher Accounting
Courses under the personal direction of W. S. Ferguson, C.A., given through the Shaw Schools, Toronto, will qualify you for any known degree given by Canadian Associations. Please write Dept. P. Bay and Charles, for particulars.

Established 1889
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Trustee in Bankruptcy Proceedings
Offices: McKinnon Bldg., Toronto

BENNETT, HANNAH & SANFORD
Barristers, Solicitors, etc.
Calgary, Alberta, Canada
Hon. R. B. Bennett, P.C., K.C.
P. L. Sanford, B.A. A. Hannah
O. H. E. Might, E. J. Chambers, LL.B.
H. G. Nolan, M.C., M.A.

After all—Experience is Important



If you have a financial or business problem, you may be sure that this Bank many times has helped its customers solve just such a problem —in its four generations of experience.
This Bank solicits Business Accounts
THE BANK OF NOVA SCOTIA
Established 1832
Capital, $10,000,000. Reserves, $20,000,000.
Total Assets over $260,000,000.

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

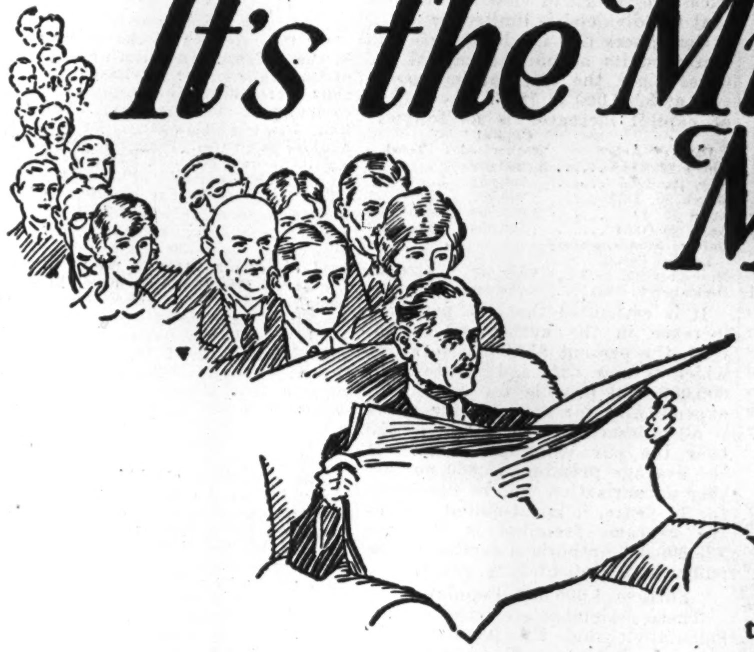
DRIVE WITH SECURITY!
No investment offers so much real security to drivers and passengers in Motor Cars as our
NON-SHATTERABLE WIND SHIELDS AND SIDE LIGHTS
Danger constantly surrounds the automobilist. This danger is increased in case of accident by flying glass.
Cars equipped with Non-Shatterable Glass offer a constant protection.
Patented and Manufactured by
PERFECTION GLASS CO. LTD.
91 Don Roadway Toronto
2977 Hutchison Montreal

Investment Securities
Newman, Sweezey & Co.
LIMITED
210 St. James Street West Montreal

J. S. MITCHELL & CO.
Established 1876 LIMITED
Mill, Railway, Mining Contractors, Hardware, Explosive Supplies and Electrical Equipment
SHERBROOKE - QUE.

McDougall & Cowans
Members of the Montreal Stock Exchange
Members of Montreal Curb Market
200 St. James Street, W.
STOCK BROKERS
HALIFAX SAINT JOHN, N.B. QUEBEC
OTTAWA TORONTO WINNIPEG
MONTREAL
Direct Private Wire to All Branches and New York

It's the Mind that Makes the Market



WHAT people think determines what they buy; and it is a group—not the individual alone—that responds to good advertising.

The best asset of any business—next to gold—is good will and Good Advertising creates good will and produces group thinking.

DAILY NEWSPAPERS appeal to all literate members of the community, without distinction of race, class, creed, sex, income or occupation.

DAILY NEWSPAPERS alone provide the national advertiser with a volume of circulation equal to the total number of families in Canada.

DAILY NEWSPAPERS in both French and English enable advertisers to cope with Canada's bilingual problem more simply and directly than in any other way.

DAILY NEWSPAPERS permit controllable and apportioned expenditures by "zones", provinces or cities, as a sales plan is developed.

NEWSPAPER advertising permits seasonal or topical changes in copy, and a flexible schedule of insertions that may be quickly re-arranged or adjusted to suit the distribution conditions of each territory.

THE DAILY NEWSPAPER READER is rarely far from the point of sale of your product. A walk of a few blocks or a telephoned order results in a speedy sale.

GROUP THINKING creates an active market. When that market is firmly established, success comes sure and swift.

The quickest and best way to create group thinking is by advertising in the Daily Newspapers. The Daily Newspaper is a great national institution and asset—in unbroken friendly relationship with 2,000,000 homes—published in 56 strategic centres, from which radiates the major trade of Canada.

ADVERTISE with consistent regularity in Canada's Daily Newspapers and your business will grow, your goods be widely and favourably known in our growing markets and your profits will increase.

Strengthen your Fall Campaign in the Daily Newspapers ... all indications point to big crops and big business.

CANADIAN DAILY C·D·N·A· NEWSPAPERS ASS'N

Dominion and Provincial
Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing
Foreign Issues Quoted

DOMINION SECURITIES CORPORATION LIMITED
Established 1901
E. R. WOOD, President
MONTREAL OFFICE 159 St. James Street
LONDON, ENG., OFFICE No 6 Austin Friars
Head Office TORONTO 2, 26 King St. E.

FREEDOM FOR
Manufacturers from High Taxes, High Labor Rates, High Labor Turnover, Power Problems, Freedom to Expand on Ample Sites, Permits Concentrated Effort on Production.
We have located plant to the value of over $25,000,000 in the last five years under the above ideal conditions.
WE CAN DO IT FOR YOU
SOUTHERN CANADA POWER COMPANY LIMITED
— 330 Coristine Building — Montreal —

WAKEFIELD
CASTROL
MOTOR OIL
THE ECONOMY LUBRICANT OF THE PRESENT ERA

Public Utility Investments

Consumers Gas Co. Will Issue Rights Before Year End

Only Moderate Amount of New Stock to be Offered

$13,000,000 IN DECADE

Authorized Capital of $25,000,000 Will Provide for Expansion, It is Believed, to End of 1937

Shareholders of Consumers Gas Company of Toronto probably will be offered stock to the par value of $1,000,000 before the end of the year, possibly in October. The company at the present time owes its bankers $900,000 for capital expenditures, and at least $150,000 additional will have been spent before the season's work is finished.

When $2,000,000 additional capital was raised by allotment to shareholders in 1926, the price was $150. The price at which new stock will be issued will be not less than $150, and may be $160. As $1,000,000 of new capital would be one-twelfth of the amount at present outstanding, each holder will have the privilege of buying one new share for each twelve held. At the present price of around $200, this would make the rights worth about $3.33 per share.

Amount Not Decided

The amount of new stock to be issued this year has not been determined definitely, but it is the policy of the directors to issue new stock only when additional capital is needed; in fact, in the present instance, much of the expenditure already is made, and the works largely are revenue-producing before the company creates a new capital liability on which dividends must be paid. Of course, there are interest charges, but these are created only as the work proceeds.

Issue of new stock to the par value of $1,000,000 at a 60 per cent. premium would give the company $1,600,000, which would leave about $500,000 to begin new construction as soon as practicable.

Return is Moderate

Purchasers of Consumers Gas stock at $200 get a return of 5 per cent. on their investment, the dividend rate being limited to 10 per cent. on the par value of $100 per share. Assuming that rights will be available every second year and that such rights are worth about $3.30 per share, the average return on the money invested would be about 5½ per cent. This is not considered an excessive return in view of the fact that the dividend is limited by law.

Consumers Gas Co. heretofore has increased its authorized capital six times since the original incorporation at $200,000 in 1848. The record of capital increases is as follows:

Date of Acts	Capital Authorized	Total
March 23, 1848	$ 200,000	
May 19, 1855	200,000	$ 400,000
March 29, 1873	600,000	1,000,000
April 23, 1887	1,000,000	2,000,000
April 26, 1904	1,500,000	3,500,000
Date of Supplementary Letters Patent		
November 23, 1909 ..	2,500,000	6,000,000
December 9, 1921 ...	6,000,000	12,000,000

It is estimated that the proposed increase in the authorized capital from the present $12,000,000 (all of which is now outstanding) to $25,000,000 will provide for all capital expenditures for the next ten years if all is issued at a premium of $50 over the par value per share. If the average premium is $60 no further authorization will be necessary for 11 years, it is estimated, and as the average premium is $80, the $25,000,000 authorized capital will be sufficient for about 12½ years.

Foresee 1,000,000 Population

These estimates are based on the calculation that the population of Greater Toronto will be 1,040,000 at the end of ten years. In the last ten years the population of three townships immediately adjoining Toronto has increased from 53,533 to 140,880, and it is estimated that by 1938 the population of these outlying areas will be 360,000.

Growth of Toronto has been largely in the outlying districts. It is pointed out that a drop in the population in the older districts has created problems of distribution of gas and pressure maintenance which the company must meet. This already has involved an expenditure of $1,500,000 and further sums must be spent on the distribution system and a manufacturing plant. As the present manufacturing plant is in the east end of the city, it is considered probable that the new plant will be somewhere west.

Although Consumers Gas Co., like all other gas companies, no longer sells gas for illumination, business continues to grow. The use of gas for cooking and heating water in homes steadily is increasing. House heating with gas is becoming a real factor in providing steady volume of consumption in winter months, and the gas used in industry now comprises 18 per cent. of the total consumed. This 18 per cent. is a growth of 53 per cent. in three years.

Office Building Planned

As was forecast in The Financial Post on January 13, 1928, the company plans to build a new office building at Toronto and Adelaide Streets. This, with the new manufacturing plant and two large holders soon to be required, will involve the expenditure of several millions of dollars within the next two or three years. In the circumstances, it is possible that there will be a second issue of stock within a comparatively short time after the first.

At the end of 1927, the company was employing $18,339,073, of which $12,000,000 was capital and the balance premium. In the last six years the average annual increase in capital and premium employed was $1,422,584, and it is estimated that in the next ten years the average annual increase in capital and premium employed will be $1,888,924, thus bringing the total of capital and premium employed to $37,228,318 by the end of 1937.

Announcement of the proposed increase in the authorized capital of the company created much talk in the daily newspapers, in view of the relations of the company and the city of Toronto. The initial outcry changed its tune, however, when Mayor McBride, ex-officio a director of the company, defended the proposed increase, which will be voted on by the shareholders on September 5th.

There is hardly a doubt that the directors will vote to allot the new stock to shareholders in proportion to their present holdings, since experience has shown that this method is best in the interests of the company. Tenders have been resorted to in the past as well as a public auction. Both methods proved unsatisfactory from the point of view of the company and were not more satisfactory to the bidders, whether by auction or tender. On the last occasion of an auction, in 1913, the opening price was 177, but fell later to 166.

It is proposed to enact a by-law allowing the president, vice-president and directors, an annual salary of $25,000. The existing level is $15,000 annually. There has been some daily newspaper comment on this proposal. A proposal to make clear the company's right to make contributions to pensions funds has been generally approved in political circles.

Plan Longest Line in Saskatchewan

Dominion Electric Power, Ltd., will begin construction immediately of a transmission line from Shaunavon to Assiniboia, a distance of 135 miles. This will be the longest transmission line in Saskatchewan and will cost about $500,000.

Dominion Electric Power likewise will construct a new power house at Shaunavon at a cost of $120,000. The existing plant will be abandoned.

ENG. ELECTRIC PLAN MEETS OPPOSITION IN SOME QUARTERS

(Continued from page 1)

light of the present effort of this same board to repudiate their contract with those, who in good faith purchased the stock of the corporation on these representations.

Please note the words of Mr. Perry, where he states, "The preferred shares are preferred as to assets and dividends and are entitled to a fixed cumulative dividend at the rate of 8 per cent. per annum from the date of issue."

On the strength of the above clause in the Indenture supporting this issue of stock, the public purchased the stock thus furnishing the capital for the company to start business. The English Electric Company, as you are doubtless aware, prospered for awhile, but later because of a business depression which especially affected the electrical industry in Canada, found itself unable to meet this dividend of 8 per cent. on its stock with any degree of regularity, and accumulations of unpaid dividends thereon resulted. The preferred stockholders were, however, patient under these conditions, believing that eventually these dividends would be paid and having confidence in the management of the company, and the statement often made by President Stinson that those accumulated dividends were fully recognized by the corporation as an obligation, and that in time such obligation would be liquidated in full.

The preferred stockholders, resting therefore on the clause in the Indenture and the statement of the management of the company frequently expressed, were patient indeed, and waited these years for the prosperity which they all felt would some day come, and enable the corporation to clean up its sacred obligation to its shareholders. This obligation, which in its essence we believe to be a contract on the part of the company with its shareholders, the present board desires to repudiate. We as shareholders most emphatically object to the new plan. We believe, as preferred stockholders, we are really creditors of the corporation to the extent of the accumulations and the obligation should be discharged to us just as faithfully as the corporation pays its general creditors.

The aggregate amount of accumulated dividends due the preferred stockholders, I understand to be about $650,000. Under the plan of giving ½ share of common stock to each share of preferred in lieu of such accrued dividends, which at the present market for the common stock really amounts to a settlement for such accruals at about 50c. on the dollar, and further, such settlement is in stock—not in cash.

I have stated that the plan discriminates in favor of the common stockholders; perhaps some explanation of this statement is in order. When this corporation was organized, the entire common stock was given away as a bonus—12,000 shares were given to the English Electric Company of Britain—8,000 shares were given to the preferred stockholders as a bonus—the balance of 10,000 shares, I understand, went to the underwriting bankers and were by them distributed to the various directors in varying amounts. A substantial block of the stock, however, being retained by the bankers; thus you will observe this 30,000 shares of common stock represents no actual money—merely meant voting control.

Under the proposed plan by the repudiation of these accrued dividends, the promise is held out that this bonus stock can be placed on a dividend basis—but to whose advantage? These large blocks of stock that cost nothing and are now held by the parties mentioned immediately become of value; and at whose expense? At the expense of the preferred stockholders—he is asked to waive a perfectly legitimate claim so these gentlemen of the management may have value placed behind their bonus stock. The plan is so evidently unfair—palpably unjust—that I personally cannot conceive of it being allowed by the eminent Court.

The preferred stockholders I represent, are perfectly willing to wait for their accrued dividends. They do not wish to embarrass the company by insisting on immediate payment in full, but they do expect the corporation to pay its 8 per cent. dividends, which we understand, are now being earned, and further, to gradually work off the accruals as funds can be spared. In our opinion, the only other fair and proper thing for the management to do to remedy the situation, is to call in all the preferred stock which they have the right to do under the Indenture, and recast the entire capital structure by a new issue of possibly first mortgage bonds bearing a lower rate of interest—a new preferred stock, and a new common. As this new financing would be a refunding operation, much of the money would go back into the company by the present stockholders reinvesting in the new securities.

I trust that your honor will protect the interest of the preferred stockholders, who will presumably be in a minority at the meeting to be called on the 22nd inst—your decision in the matter will be awaited with great interest.

Very truly yours,
EDWARD N. WILKES & CO., INC.

Ask For Clean Sheet

Dealing with the first part of this letter, it is pointed out that at the time the original financial structure was erected, the officers of the company acted in good faith in indicating the preferential position of the preferred shareholders, and in stressing their better chances of receiving dividends. As events proved, the preferred shareholder did receive dividends for a limited time until, to quote the Wilkes letter itself, "because of a business depression which especially affected the electrical industry in Canada, the company found itself unable to meet this dividend of 8 per cent. with any degree of regularity." Accumulations of dividends naturally resulted; and now that they have risen to the total of nearly three-quarters of a million dollars and are becoming a serious embarrassment to the company, the directors are asking for a new capital structure that will enable them to go forward with a clean sheet, and pay regular dividends henceforth.

Another Viewpoint

The point raised that the company is evading its responsibility to meet past obligations, while on the face of it a fair contention, upon examination does not seen quite so fair, according to some shareholders. For, they say, while it is true that this accumulation is wiped out, it really means only the cancelling of something that there seems little hope of getting at all; or, as the president bluntly enough puts it, these arrears of dividend "constitute a first charge upon the company which there is no prospect of discharging." And if there is no prospect of discharging same and the new plan will permit such profit payment to the preferred holders as earnings allow, why the strenuous objection to the plan, they ask?

Another objection made in the letter above quoted is contained in the charge of unfair discrimination in favor of the common shareholders. This is met by the frank admission that much of the present common stock was actually bonus stock, the purchaser of preferred stock getting at least 40 per cent. common stock bonus, or perhaps even a little more. In this connection it is pointed out that the preferred shareholders were from the outset given a share in the management of the company; and that the original purchasers of preferred stock through their bonus holdings as well as through the new common stock bonus are in a good position to profit by excess earnings available for the class "B" stock.

Dividends Still Preferred

Furthermore, the preferred feature regards dividends is still retained, and that 6 per cent. rate on old stock must be paid to new class "A" shareholders before the class "B" stock share at all in profits. And even, as mentioned above, in the event of the class "B" shares becoming eventually very valuable because of some future surplus of profit, the original holders of the old preferred through their common stock interest stand to receive their share of this prosperity.

Arrears Too Heavy

Broadly speaking, the arguments so far advanced against the new scheme of recapitalization are based upon the theory that some time in the not too remote future English Electric will be in a position to pay an 8 per cent. current dividend on $2,000,000 preferred stock and some 42 per cent. of arrears already accumulated. Unfortunately there seems nothing in either the past performance of this company nor in the present statements of the company executives to indicate that any such happy condition is on the way. They state that business has been good and is continuing good this year; that profits should be substantial, that they are more than willing to give the shareholders a reasonable proportion of these profits in the shape of immediately commencing dividends on the new stock; but that they do not want the company to be handicapped by the severe incubus of nearly three-quarters of a million dollars accumulated dividends that there is no hope of wiping off in very many years to come.

Endorsation Abroad

On the face of it, the English Electric recapitalization scheme looks like a sound, well-worked-out plan to financially rehabilitate the company without asking the public for money. It is a scheme that has received the active assistance and support of a large number of preferred shareholders. It has taken months to work out and many conferences of the directors and large shareholders with legal counsel. As presented by Mr. Perry to the substantial block of English shareholders a few weeks ago, it is stated to have their unqualified approval; and to date a very large proportion of the preference stockholders in Canada are stated to have heartily approved of the plan.

But there is certainly opposition in some quarters; and even though it does represent only a small minority interest, it is entitled to be heard. In this connection a statement was made to The Financial Post by Mr. Perry and concurred in by President Stinson, to the following effect:

"We have no desire whatever to railroad through any plan that has not the full approval of the shareholders; and we will gladly listen to all and any suggestions that are brought forth for the improvement of the plan of recapitalization. We have spent many weeks trying to work out a fair and complete plan of financial reorganization that will give us a good balance sheet and yet not necessitate going out for more money; and we think that the plan proposed is a fair one for all concerned. At the special meeting in Montreal, it will be necessary for 75 per cent. of each class of shareholders to endorse the plan, which already has the sanction of holders of many thousands of the preferred shares, who heartily approve of the plan because they believe that in the long run it will mean a better and sounder investment for them."

As a matter of fact, where similar capital reconstructions have previously been undertaken in Canada, the result has usually been beneficial to the shareholders concerned. And should the English Electric shareholders decide to compose their differences when they meet on Thursday next, it will probably be found they have acted in the best interests of their own investment.

Extracts from three letters received by The Financial Post follow:

Preference Feature Gone

"Some two or three weeks ago I saw an item in your paper regarding the reorganization of the English Electric Co., in which it was stated that some of the shareholders were not satisfied with the proposed scheme of rearrangement.

"Clause VIII (6) of the scheme sent out by the directors does not appear to me to be fair to the preferred shareholders. At present, I presume these shareholders would be paid the callable price of the shares so far as funds were available before the common shareholders would be entitled to any consideration, should the company be forced to wind up its business.

"Under the new scheme the class 'A' common shares which are allotted in place of the existing preferred shares will share equally with the class "B" shares, the latter representing the present common stock.

"If the new class 'A' shares are to be given in place of the present preferred shares why should they not be paid in full to such extent as funds may be available, before the class 'B' shares participate, in the case of involuntary liquidation?"

* * *

Alternative Proposal

"For some time I have held as an investment a block of stock in English Electric Company of Canada, which now proposes to cancel the arrears of $36 a share of preferred dividends and reduce the rate from eight to six per cent. In return we are offered one quarter of the issued common stock, which it is understood was all water in the first place.

"To those who already hold common as well as preferred this may be quite satisfactory, but to shareholders like myself, who bought the preferred in the expectation that the company would live up to its obligations it certainly is not. As it is now the preferred stock requires $160,000 a year for dividend purposes, and although nothing has been paid yet the earnings for the past two years have been quite sufficient to do this. It is now proposed to reduce the rate so that $120,000 will go to the preferred shareholders together with one-quarter of whatever amount is distributed as a common stock dividend.

"To those who hold common stock as well as preferred, this may be quite satisfactory, but to shareholders like myself who hold only preference stock it certainly is not. The obligation entered into when the preference stock was issued should be lived up to. It is not likely that the holders of the present common stock paid anything for it, at least very little if anything, and the preference shareholders should receive much more liberal treatment than is now proposed. A much fairer plan would be to pay the arrears of dividend in a new second preferred stock, when in return a reduction of rate on the old preferred from eight to seven per cent. might be considered reasonable.

"As it is now we give up $36 a share in arrears and agree to a reduction in dividend rate from eight to six per cent. in return for the issue to us of one quarter of the issued common stock. This latter has no value except what it is now given at our expense by the writing off of $720,000 dividends due us and by our agreement to allow it to participate in future surplus earnings exceeding $120,000 annually. It can be seen, therefore, that the proposal is all in favor of the present common stock and at our expense.

* * *

The English Electric Scheme

"I was very much in accord with a letter published in your paper recently on the proposed refinancing of the English Electric Co.

"My contention is—like your correspondent—that they have all the machinery embodied in their scheme for putting over a very slippery deal on the preferred shareholders. Why should they be granted legal authority to place the minority shareholders in a very unadvantageous position? And also, why should the courts of Quebec sanction such a scheme when their chief place of business is in the Province of Ontario?

"I would be glad if you would publish this letter also, in order to bring out some discussion by those most interested in this 'scheme.' I would also like to be put in touch with your former correspondent."

Public Utility Earnings

Cape Breton Electric Company

June—	1928	1927
Gross earnings	$48,076.94	$47,400.04
Operating expenses ..	$31,004.53	$28,916.49
Maintenance	9,829.71	7,411.20
Taxes	1,378.09	3,484.46
Net operating revenue	$ 5,864.61	$ 7,587.59

STEEL'S STORES LAUNCH PROGRAM OF EXPANSION

Opening New Stores in Toronto and Cornwall —Sales Increase

As part of the expansion program recently announced in The Financial Post, Steel's Consolidated Limited, will shortly open a new large store on St. Clair Avenue, Toronto. The site selected is opposite the Oakwood Collegiate, just west of the Oakwood and St. Clair car line junction, one of the busiest locations in the northwest section of Toronto. Three stores have been secured and are being turned into one store with the addition of a substantial brick addition to the back of the premises making one big store 38 feet by 110.

Reconstruction work is now going forward rapidly and it is expected that the new store will be completely outfitted and ready to open about September 15th.

Opening in Cornwall

Another site just secured by the company is a valuable leasehold in the town of Cornwall, Ontario. While this store will not be available for some months to come, it is regarded as a good stroke of business to have secured such a valuable site. It will likely be the New Year before this store is opened for business.

In conformity with the company's Canadian policy of operating everywhere on only the most profitable basis, the Kitchener store is now being converted into a one-story store. It has been found that overhead costs where a two-story shop is operated are entirely out of proportion to the one-story shop, as large stocks of goods must be kept upstairs and the turnover is much smaller than in ground-floor stores. Henceforth the company intends to open only ground-floor shops.

Canadian Business Good

Business of the Canadian company is stated to be keeping up well, with trade turnover showing some improvement over a year ago. The Danforth store, Toronto, that recently rented one-third of its space to a provision shop, is now doing just as much business in the remaining two-thirds as in the whole space last year, while overhead is considerably reduced and an additional revenue is produced by the rental.

The new financing recently discussed in The Financial Post is still in the negotiation stage; but it is expected that the parent company will secure shortly in New York the funds required to put forward the wide expansion program planned for the company. It is expected that by the middle of next month the Canadian company's expansion program will be completely decided upon; and if the $1,000,000 new money expected is realized, it will be possible to open a large number of additional stores throughout Ontario, and put into effect the additional economies incidental to the larger buying and merchandising capacity of the company.

Imperial's Output Large

CALGARY.—Royalite No. 4, the "ace" well of the Imperial Oil Company, in the Turner Valley, produced 15,441 barrels of crude naphtha during the month of July, or an average of 498 barrels per day, according to a monthly statement issued by the officials of the company.

The 5th
Public Utility
1. Electric Light and Power
2. Street Railway
3. Telephone
4. Gas
5. POWER LAUNDRY

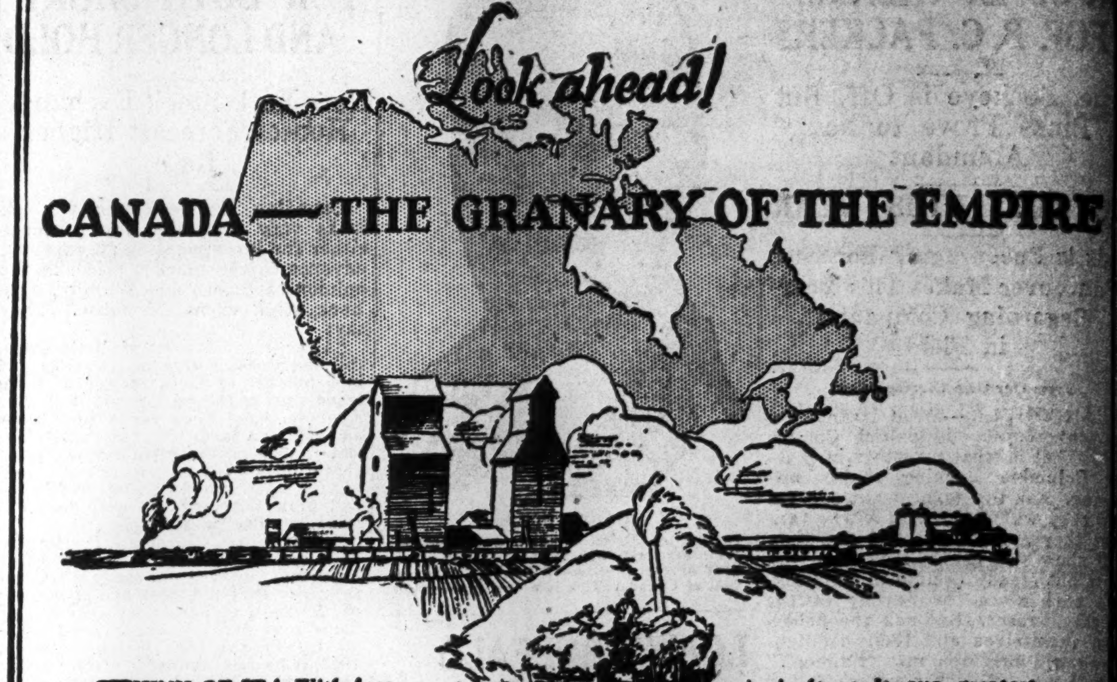
It is our opinion that in the common stock of Consolidated Laundries Corporation of Canada, Limited the investor is provided an opportunity similar to that originally offered by the securities of the four public utilities referred to above and consequently, that an investment in this stock today will show gratifying returns in the future.

We shall be pleased to furnish further particulars on request.

Bishop, Read & Co.,
INVESTMENT BANKERS
Confederation Bldg.,
Montreal, Canada.

5%
Interest from
Municipal Bonds
For safe investment of your funds combined with attractive interest return and probable appreciation of principal, we recommend carefully selected municipal bonds. Offerings will be submitted on request.
W. L. McKinnon & Co.
205 McKinnon Bldg.
TORONTO
Telephone Elgin 4429

Hamilton & Company
INVESTMENT SECURITIES
132 St. James St., W., Montreal. Tel. HArb. 7235



THINK OF IT! With less than one-half of one per cent of the world's population, Canada produces 10% of the world's wheat—more than 20 times our quota.

Since the beginning of the century our exports of grain have multiplied twenty fold. The value of last year's grain crop was in excess of one billion dollars.

It is estimated that about 75% of the arable land of our Western Plains remains untouched by the plow. Intensively worked the rich loam of the Prairies could easily support ten times the present population of Western Canada.

Agriculture is our greatest basic industry. It has made our industrial growth possible for, however diverse or varied the work of each, we are all united in a common design like the warp and woof of a great fabric and hence the welfare of one industry depends upon that of another.

Continued development of our agricultural resources will have a far reaching effect upon every phase of Canada's growth and future prosperity.

Look Ahead! The opportunities of To-morrow are in the making To-day

We invite your inquiries for investment service

NESBITT THOMSON & COMPANY
LIMITED
Royal Bank Building, TORONTO, 2
Montreal Quebec Ottawa Hamilton London, Ont.
Winnipeg Saskatoon Victoria Vancouver

INTERNATIONAL PAPER COMPANY
7% Preferred Stock
6% Preferred Stock
Common Stock

PLAN AND AGREEMENT DATED JUNE 28, 1928

Contemplating formation of
International Paper and Power Company
as new holding company

A majority of both the 7% Preferred and Common Stocks has been deposited. In order to give stockholders further opportunity to deposit their stock, the time for making deposits under the Plan has been extended to September 30, 1928.

Stockholders desiring to participate in the Plan should deposit their stock with one of the following Depositaries:

The Chase National Bank of the City of New York
57 Broadway, New York City

The First National Bank of Boston
67 Milk Street, Boston, Mass.

Montreal Trust Company
11 Place d'Armes, Montreal, P.Q.

JOHN F. ROLLINS, Secretary
100 East 42nd St., New York City.

DAVIS, POLK, WARDWELL, GARDINER & REED, Counsel,
15 Broad Street, New York City.

FRANK N. B. CLOSE
ARCHIBALD R. GRAUSTEIN
JOHN R. MACOMBER
JOHN W. McCONNELL
JOHN S. PHIPPS
ALBERT H. WIGGIN
OWEN D. YOUNG
Committee

For information apply to the Secretary or to any of the Depositaries.

News of Investment Markets

New Issue

David & Frère Limited

Class "A" Common Shares of no par value

The Company David & Frère Limited is one of the leading biscuit manufacturers in Canada. Total sales for the past five years have increased from $513,386 to $815,712 and net earnings from $57,751 to $105,066. These earnings for 1927 are equal to twice the amount required for an annual dividend of $2.25 on the Class "A" shares.

The Company has neither funded indebtedness nor bank loans outstanding; all income will therefore be applicable to the Common Shares.

Price: $35.00 per Class "A" share and accrued dividend, with a bonus of 40% of Class "B" shares.

Prospectus on request

RENE-T. LECLERC
Incorporated
Montreal—210 St. James St. W.
Quebec—71 St. Peter St.
(ESTABLISHED 1901)

DRY DOCK BONDS HAVE GUARANTEE OF CAN. VICKERS

Offering Made of Montreal Dry Docks Bonds—Company Owned by Vickers

From Our Own Correspondent

MONTREAL.—To finance in part the acquisition of the Montreal Dry Docks by Canadian Vickers, a $675,000 bond issue of the subsidiary company was offered publicly this week on 6.09 per cent. yield basis. Canadian Vickers owns all the common shares of its new subsidiary; ranking senior to the common stock of the Montreal Dry Docks there is only the present bond issue.

Montreal Dry Docks is a recently incorporated company which has acquired all the assets of the predecessor organization which has been in successful operation for a great number of years and has for some years past been doing by far the largest individual proportion of dry docking and general ship repairing to vessels operating on the lower lakes-St. Lawrence canal route. The company was owned formerly by interests closely associated with Canadian Vickers.

Particulars of Issue

The particulars of the new bond offering follow:

$675,000 Montreal Dry Docks, Limited
First Closed Mortgage Guaranteed 6%
20-Year Sinking Fund Bonds

Dated: Feb. 1, 1928. Due: Feb. 1, 1948.

Capitalization:	Authorized	Issued
First mort. bonds	$675,000	$675,000
Common stock	500 shs.	400 shs.

The Company: Owns two modern dry docks each 300 feet long, capable of handling all vessels operating on the lower lakes-St. Lawrence canal system together with a well equipped general ship repair plant. The plant is located on the Lachine canal in Montreal.

Security: Bonds are guaranteed as to principal, interest and sinking fund by Canadian Vickers and rank as a charge only after the first mortgage bonds of the parent company. The issue is also a mortgage on all the assets of the subsidiary company which are valued after depreciation at $798,369. The combined assets of both companies applicable to the present issue amount to $6,000 for each $1,000 bond of the subsidiary.

Earnings: During the past three years before depreciation have averaged at the rate of 3.22 times the annual bond interest requirement.

Offered: August, 1928, by Drury & Company at 99 to yield about 6.09 per cent.

TORONTO BREW. PRODUCES BEER NEW IN CANADA

Lighter Product Pleases Patrons Used to American Type

Sales of Toronto Brewing & Malting Co. are reported on good authority to be running far in excess of a year ago. The brewery is considered one of the most efficient in Canada and the location in the heart of the largest city in Ontario is an asset, in the opinion of the directors.

Toronto Brewing's retail warehouse on a recent Saturday did a gross business of $1,600. This is thought to be a record for a warehouse selling the products of only one company.

Produce New Beer

Reason for the large volume may be attributed primarily to the excellent quality of the products, but the variety of the malt liquors sold also is a factor. The company recently has been marketing a beer known as American Bud, which is becoming popular with consumers. It is a light beer of the character which was sold largely in the United States prior to prohibition, and while by no means weak, is sufficiently mild to suit the taste of a large group of consumers.

Capital stock of Toronto Brewing consists of 120.000 shares which was sold in 1927 at $12 per share. The high for the stock has been 13¼ and the low 8. It recently has been changing hands between 9 and 10. Earnings are reported to be running at the rate of $1 per share per year.

EDMONTON PROSPEROUS

EDMONTON.—Land sales by the city of Edmonton for the first seven months of this year were more than double those of the corresponding period of 1927, being $187,466 this year as compared with $89,976 for the similar period of last year. It is also reported that a number of important sales are now pending and a continuance of the present pace of progress for the balance of the year is expected.

Fuller of Canada Finds Trade Good

United States Realty and George A. Fuller interest expect development of large business in Canada which is regarded as an excellent field where there is comparatively little competition in big-scale construction. Canadian interests have been invited into participation in George A. Fuller Co. of Canada, and about 80 per cent. of the preferred stock is owned in Canada.

Earnings of the United States Realty & Improvement Co., which controls common stock of Canadian company, this quarter are running fully as good as a year ago, if not better, and with promise of further improvements if construction activity of George A. Fuller Co. keeps up.

STANFORD'S NOW WORKING INTO BETTER POSITION

Improved Merchandising Methods Checkmates Keen Competition

A somewhat radical change in policy of operation, bringing buying and selling methods more in line with regular chain store systems, is stated to have resulted in a somewhat better operating position for Stanford's Limited during the past three or four months. Energetic steps are being taken to meet competition from chain store groups; and the result of the new policy of merchandising is stated to have been satisfactory to date.

As part of the company's expansion program, the new Verdun store was recently opened on Wellington avenue. This store was fitted out to meet the particular needs of the district; and in common with the methods of efficiency now in practice, cost of equipping this branch was very materially below previous installations, the previous policy of expensive decorations and equipment being reversed, and only equipment necessary for efficiency and service being installed.

Other Stores Planned

Similarly, the installation at the new Notre Dame de Grace store will cost a great deal less than the equipment installations in the stores opened last fall, the Notre Dame de Grace and Verdun installations combined costing probably less than a single shop opened a year or less ago. And yet nothing essential has been sacrificed, only the ornate in decoration and equipment being left out.

This new policy in equipment of stores is expected to react very favorably on the company's earnings. For one thing it will permit more stores being opened at strategic points than would be the case were the equipping cost still on the old basis; and this in itself places the company in a much better position to meet chain store competition.

Further, it is stated to be the company's intention to open additional branch stores at an early date, and through improved merchandising methods meet chain store competition. In addition to the Notre Dame de Grace store now being equipped, it is likely that a store will shortly be announced on St. Denis street, to be rapidly equipped and opened in time for the early fall trade. All told it is likely that the company will have at least eight chain stores operating before Christmas, or double the number in operation six months ago.

Sales Increase

July is stated to have been a fair month for the company, with out-of-town trade to summer resorts and cottages particularly gratifying. The real test of the company's earning power will come in the fall and winter; and there seems to be a strong belief that the new policy of energetic merchandising in line with chain store ideas, will result in substantial increases during the winter months.

Actual earnings of Stanford's for the current year will not likely come up to the average of $111,000. In fact, the most recent estimate of earnings places net profit at $80,000 this year, or about $1.55 on the common after all charges. Notwithstanding which it is stated that the $1 per share dividend will be maintained.

New Mortgage Company Offers Bonds Publicly

From Our Own Correspondent

MONTREAL.—Another offering of mortgage company bonds in the form of a $1,000,000, 7 per cent., collateral trust, 20 year bond issue of the Canadian Loan and Mortgage Company was offered to investors this week to finance the operations of this newcomer in the mortgage loan field.

The particulars of the issue follow:

$1,000,000
Canadian Loan and Mortgage Company Limited
7 Per Cent. Collateral Trust 20-Year Bonds

Capitalization:	Authorized	To be Outstanding
Collateral trust bonds	$2,000,000	$1,000,000
Preferred shares	100 000	10,000
Common, n.p.v.	30,000 shs.	30,000 shs.

The Company: Incorporated December, 1927, to provide capital for real estate and construction first and second mortgages.

Bond Issue: The bonds will be deposited with the trustee for the bondholders; bonds will be issued up to the full amount of mortgages, balance of purchase price or builders' loans on real estate deposited with the trust company.

Offered: August, 1928, by the Commercial Bonds.

ROBINSON CONE GROSS OUTPUT GROWS QUICKLY

July Saw 1927 Record Equalled With Two Good Months Ahead

At the end of July, Robinson Consolidated Cone Co. needed to sell only 3,000,000 ice-cream cones to equal gross sales for last year. Last year, more than 19,000,000 cones were sold in August and September and a continuance of hot weather will mean much greater business in August and September of this year than last, when the temperatures were low and ice-cream sales slow.

On this basis, earnings of the company in the fiscal year ending September 30, will be in excess of $3.50 per share. When the stock was offered the public some months ago at $27 the share, it was stated that the average earnings in the past three years had been at the rate of $2.83 on the 49,997 shares of common to be outstanding. The common is the only stock of the company except for three shares of management-preferred which automatically become common shares at the end of two years. The stock was placed on a $1.50 dividend basis last week, with the declaration of a 37½ cent quarterly payment.

Soft drinks, new and old, Coney Island red hots and other drinks and edibles, come and go but the sales of ice-cream cones have continued upward for more than twenty years, it is said. Moreover, in the present season the Robinson Company has put on the market a container for ice-cream which is marketed as ice-cream pie when the filler is placed therein. This product is said to have met with a favorable reception.

Robinson Consolidated Cone Co. does the bulk of the cone business in Canada operating plants in Hamilton and Montreal. It is deemed probable that a plant will be placed in Winnipeg or some other Western city within a short time, although plans in this regard are not as yet formulated.

HOTEL GENOSHA RAPIDLY GOING UP

Complete Financial Set-Up Includes Preferred and N. P. V. Common

Construction of the Hotel Genosha at Oshawa, the seat of General Motors of Canada, is rapidly progressing. The steel work has already been completed; and the first two stories of the brick-work is up.

Public financing of the Hotel Genosha was recently announced by the United Bond Company, which offered $325,000 6½ per cent. first mortgage real estate serial gold bonds at par. In addition there is being sold privately, chiefly to executives living in Oshawa and vicinity, some $400,000 7 per cent. cumulative preferred stock, the balance of the financial set-up consisting of 50,000 shares of common stock, no par value. There is no second mortgage or other security than the bonds ahead of the common stock.

The personnel of the board of directors has not yet been announced, but it is understood that five out of the nine directors will be residents of Oshawa.

Hotel Genosha is a six story brick building on the main street in Oshawa, this being also the provincial highway between Windsor, Toronto and Montreal. The hotel will contain some 100 rooms, each with a private bathroom, shower and radio, and will be modern in every respect. The ground floor frontages, 131 feet on King Street and 96 feet on Mary Street, are being laid out in stores that will considerably augment the income of the hotel.

HINDE & DAUCH BUILDS FACTORY

Toronto Extension Will Add to Capacity in That Community

Hinde & Dauch Paper Co. will construct a new factory on Hanna Avenue at Liberty Street, Toronto. A site 328 feet by 150 feet has been bought for $150,000 and eight houses and store will be razed to make way for the new building which will be five stories high and of mill construction.

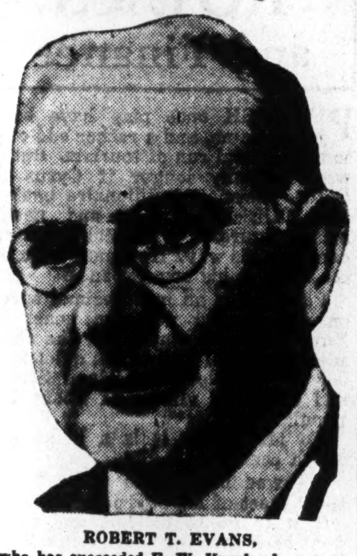
The Hinde & Dauch Company manufactures mill boards and corrugated papers and recent rapid growth of the business has led to plans which eventually will cause plants to be built in various other cities of Canada. The company's products are bulky when manufactured and it is desirable to have factories close to centres of demand.

Investment interest in the company is primarily in the bonds recently issued, but a block of some thousands of shares of common recently was privately distributed and the stock now is listed on the Toronto Exchange.

ANGLO OUTPUT UP

MONTREAL.—The four machines at the Anglo Canadian Pulp & Paper Mills are now in full operation and producing about 420 tons per day. The machines are running at about 850 feet per minute. In a very short time the management expects to reach the rated capacity of 500 tons daily production.

General Manager



ROBERT T. EVANS,
who has succeeded E. W. Kneeland as general manager of the British America Elevator Company of Winnipeg.

PURE GOLD MFG. REPORTS PROFIT ON STOCK $2.25

Sales Volume at $2,000,000 is Gain of 16 Per Cent.

Pure Gold Manufacturing Co. shows profits of $2.25 per share on the 50,000 shares outstanding after depreciation, provision for income tax and $4,750 written off organization expenses. This compares with profits of $1.90 per share in the previous fiscal year, ended June 30, 1927.

Profits before depreciation were $136,560. Depreciation account has been supplemented by $10,000, compared with $9,500 a year ago. Income tax provision is $9,310, compared with $8,015 and the amount written off organization expenses is $4,750, compared with $5,035 for the same purpose a year ago.

Current assets are up from $525,045 to $725,015, largely because of an increase in inventory due to new arrangements with West Indian connections of the company. W. S. Greening, the vice-president, also points out that the expanding business of the company requires larger stocks to be carried. Current liabilities are up from $235,693 to $402,085. Thus working capital at the end of the current year stands at $323,930, compared with $286,352 a year ago. There is a bank loan of some $83,500, which appears in the balance sheet for the first time.

Although it is known that the company has spent considerable sums in the last year in expanding plant facilities and in the purchase of equipment, the fixed assets comprising land, buildings and plant, after depreciation, now stand somewhat under the figure of a year ago—$576,845 compared to $593,697. Trade-marks and goodwill, etc., remain at $250,000. The organization expense now is only $8,000.

Pure Gold Manufacturing Co. stock went on a $2 annual basis on July 1st. The previous rate had been $1.50. At the current price of 29¼, the yield is better than 6½ per cent.

Investment in this company is considered reasonably safe, although those who are acquainted with the market situation do not expect any great appreciation in the value of the shares. The company has been in existence for many years and has an excellent name in the trade and among consumers for coffee, teas, spices, jelly powders, etc. The volume of business was slightly in excess of $2,000,000 in the last year, which was a 16 per cent. advance over the previous year. The company markets its products under its own name and the names of its subsidiaries, Thomas B. Greening Co. and Todhunter, Mitchell & Co. About 65 per cent. of the stock is held by the Greening family and its immediate associates.

Following is the comparative profit and loss for the last three years:

	1928	1927	1926*
Net profit	$136,560	$119,004	$ 82,744
Depreciation ...	10,000	9,500	10,500
Taxes	9,310	8,016	5,953
Organ. Exp. ...	4,750	5,085	......
Balance	112,500	96,453	66,291
Dividends	75,000	75,000	100,000
Year's surplus .	37,500	21,453	+33,709
Bal. Forward ..	43,289	21,836	55,546
Surplus	$80,789	$43,289	$21,837

*Nineteen months.
+Debit.

WINDSOR THEATRE DEAL IS POSTPONED

Famous Players Offer for Capitol Theatre Not Accepted

It looks as though the Famous Players' proposed purchase of the Capitol Theatre at Windsor, Ontario, will not go through. Shareholders of the Capitol Theatre, meeting at the Prince Edward Hotel this week, were unable to reach an agreement, and after a two-hour session they adjourned without reaching a decision to accept the offer of $250,000 made by Famous Players.

This adjournment sine die is taken as tantamount to a negation of the offer, as Famous Players stipulated that its shareholders' offer would expire on September 1, and it is unlikely that another meeting can be held before that date.

BLOOR BUILDING EARNING TWICE BOND INTEREST

Recent Rentals Stated to Place Income on Good Basis

Earnings of approximately twice the annual bond interests are now assured to the Bloor Building, Toronto, according to a statement made by the Financial Post. The rental campaign that has been energetically carried on during the past nine months, has brought good results; and there is very little office space unrented on the upper floors, and a relatively small portion of the Bloor street stores as yet unrented, and even this remainder is under negotiation. All told, income from leaseholds are stated to be now at a rate practically double the annual bond interest; and consequently the big worries for the people who sponsored this project, are now apparently at an end.

It will be recalled that the Bloor Building, Toronto, was erected at the corner of Bloor and Bay some two years ago, the chief public financing at that time consisting of an issue of $650,000, 7 per cent. first mortgage serial real estate bonds. The issue was sold through the United Bond Co. which guaranteed the bonds; and was thought to be a good investment from the standpoint of prospective earnings.

Turned the Corner

But events proved that the building had really a great deal of pioneer work to do in advertising the district, which was radically new as an office and business district, being removed more than a mile from the older business district. As a result, rentals were slow at first and until comparatively recently the outlook for earnings seemed none too good. Then about nine months ago things began to radically change for the better; and now leases already granted assure bond interest being met for several years to come; and even a substantial surplus after first mortgage payments of both principal and interest have been met.

The success of this enterprise augurs well for the development of Toronto's new business district; and would seem to indicate that the Bloor Bay district has finally "arrived" as a definite office and business district, as many of the firms renting space in the building are old-established houses seeking a permanent office home.

Maple Leaf Plans Mill for Maritimes

Despatches from the east state that the Maple Leaf Milling Co. intends shortly erecting a mill in the Maritime Provinces, to take care of its eastern sales. For some years past demands for the company's product has been good in the Maritimes; and the mission of General Manager MacDonald, at present in the Maritimes, is stated to be the securing of a suitable site and the arrangements necessary to operating a mill in this part of Canada.

Bond Notices

BOND REDEMPTIONS

	Rate	Due	Redeem.	Price
St. Law. Paper Mills				
A & B, 20-yr.	6%	1928	Sept. 1	105
10-yr. debs.	6½%	1929	Jan. 2	102
N. Bawlf Grain	6½%	1939	Sept. 1	105
Que. R. L. H. & P.	5%	1939	Dec. 1	105
Beauharnois Elec.	5%	1942	Sept. 1	105
Brompton P. & P.	6%	1946	Sept. 1	105
N. S. Trams "A"	7%	1952	Oct. 1	110
Annex Realty Corp.	7%	Serial	Sept. 1	105
Canada Vinegars	6½%	1945	Dec. 1	105
Drummond Invest.	6½%	1938	Nov. 1	105
Mercury Mills	6½%	1942	Nov. 15	105
Murray Bay Paper	6½%	1947	Oct. 1	105
N. Bawlf Grain Co.	6%	....	Dec. 1	100½
Annex Realty	7%	Serial	Sept. 15	105
347 Bay St.	7%	1940	Sept. 1	103
Howard Smith	6%	1934	Dec. 1	105
Guelph Carpet	6%	194[illegible]	Sept. 1	105
P. Lyall	6%	1932	Sept. 1	105
Man. Paper	6½%	1946	Oct. 1	105
St. Anne Paper	6½%	1946	Sept. 1	104½
St. Anne Paper	6½%	1936	Sept. 1	104
Brompton P. & P.	6%	1935	Nov. 1	105
Abitibi Power	6%	1931	Sept. 15	101½
St. Maur. Paper	6%	1945	Sept. 1	10[illegible]
St. Maur. Paper	6%	"B"	Sept. 1	105
Brompton P. & P.	6%	1946	Sept. 1	105
Abitibi El. Dev.	6%	....	Oct. 1	105
Rolland Paper	6%	....	Jan. 2	105
Consumers Glass	6%	1935	Nov. 1	100

Tenders and By-laws

Aug. 21.—Welland, Ont.—5 per cent., 10-instalment pavement debentures, $172,230. A. W. Jackson, treas.

Aug. 28.—School Commission of Pointe Claire and Beaconsfield, P.Q.—$25,000, 5 per cent., serial debentures. James J. Hunter, secy-treas.

Aug. 27.—Municipality of Pont-Viau, P.Q.—$20,000, 5½ per cent., serial bonds. H. Sarrazin, secy.-treas.

Sept. 1.—Parish of St. Anicet, P.Q.—$4,000, 5 per cent. serial bonds. Duncan Crevier, secy-treas.

Sept. 1.—Township of Gore, P.Q.—$6,000, 5%, serial bonds. George Peet, sec.-treas.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
S. Vancouver district	July	Western City Co.	5%	30-yr.	$132,[illegible]	99.61	....
do	"	"	5%	20-yr.	67,524	.....	....
do	"	"	5%	15-yr.	7,788	.....	....
do	"	"	5%	10-yr.	50,385	.....	....
N. Vancouver	July	Royal Financial Corp.	5%	20-yr.	70,000	100.00	....
Shawinigan Falls School	July	Royal Securities Corp.	5½%	1932-47	150,000	100.00	..
St. Hyacinthe	July	L. G. Beaubien & Co.	5%	30-yr. serial	250,000	100.05	....
Sandwich	July	Locally	...	.....	50,000	.....	....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Auditorium, Ltd.	Aug.	Royal Securities Corp.	6½%	20-yr.	$290,000	100.00	6½%
Canadian Loan & Mtge. Co.	Aug.	Commercial Bonds, Ltd.	7%	20-yr.	$1,000,000	100.00	7%
Stock Issues—							
Algoma Pulp, Paper & Docks	Aug.	Bank of Commerce in London and Canada	Pref.		350,000 shs.	....	....
			Com.		350,000 shs.	....	....
Cons. Automatic Merch. Corp	Aug.	F. J. Lisman & Co., New York	Pref.		200,000 shs.	....	....
			Com.		200,000 shs.	....	....
New Foods, Ltd.	Aug.	....			100,000 shs.	....	....

Loblaw Groceterias Co. Limited

BALANCE SHEET
May 31st, 1928

ASSETS

CURRENT ASSETS:		
Cash on hand and in banks	$ 251,282.00	
Sundry Accounts Receivable	14,052.73	
Merchandise Inventory	1,462,297.16	
Advances on Merchandise Purchased	32,430.41	
		$1,760,171.30
INVESTMENTS:		
2,841 shares Prior Preference Stock Loblaw Groceterias, Inc.	200,000.00	
28,600 shares Common Stock, Loblaw Groceterias, Incorporated	1.00	
Life Insurance	21,747.04	
Mortgage Receivable	3,500.00	
		225,248.04
Deferred Charges to Operations		64,233.35
CAPITAL ASSETS:		
Real Estate, Buildings, Improvements, Furniture and Fixtures, and Autos and Trucks	2,782,925.47	
Less Depreciation Reserve	399,941.21	
		2,382,984.26
Goodwill		500,000.00
		$4,873,642.97

LIABILITIES

CURRENT LIABILITIES:		
Bank Advances and Overdraft	193,105.89	
Accounts Payable	678,330.31	
		871,436.20
DEFERRED LIABILITIES:		
Income Tax Reserve		64,000.00
CAPITAL AND SURPLUS:		
Capital Stock, Prior Preference, 7 per cent.	547,700.00	
Less Redeemed during year	14,400.00	
	533,300.00	
Capital Stock, Common, 191,650 shares, no par value	2,040,810.00	
	2,574,110.00	
Surplus	1,364,096.77	
		3,938,206.77
		$4,873,642.97

Note: Balance of amount required to be set aside as of the above date for redemption of Prior Preference Stock at market value 358,700.78

SURPLUS ACCOUNT
(Year ending May 31st, 1928)

Surplus, May 31st, 1927		902,387.88
Net Profit for year		798,466.99
Dividends, Prior Preference, including June 1st, 1928	37,331.00	
Dividends, Common, including June 1st, 1928	217,792.50	
Premium Paid on 144 Shares of Prior Preference Stock redeemed	1,080.00	
Income Tax Adjustment, 1927	565.49	
Income Tax Reserve, 1928 period	64,000.00	
Adjustment re Loblaw Groceterias, Limited (Alberta Company)	8,683.11	
Re-organization Expenses	7,306.00	
Surplus, May 31st, 1928	1,364,096.77	
	$1,700,854.87	$1,700,854.87

Audited and approved,
Thorne, Mulholland, Howson and McPherson,
Chartered Accountants

S. A. Morrison & Co.
LIMITED
INVESTMENT SECURITIES BANKERS
Northern Ontario Bldg.
330 Bay St., Toronto 2

KIPPEN & COMPANY
INCORPORATED
INVESTMENT BANKERS
4 HOSPITAL STREET
MONTREAL

CURB STOCKS
Bought—Sold—Quoted
J. W. Green & Co.
Members Montreal Curb Market
4 HOSPITAL ST., MONTREAL
Tel. MAIN 8437

E. A. Pierce & Co.
11 Jordan Street
TORONTO
Other Canadian Offices:
Ottawa — Hamilton — Vancouver
Stocks, Bonds and Commodities in Canadian and American markets.
Private wire connections with Quebec, Montreal, Winnipeg and principal points in Canadian Northwest.
Members
New York Stock Exchange, Toronto Stock Exchange and other leading Canadian and American Exchanges.
Home Office: 11 Wall St. New York City

HATTON BROTHERS
Investment Securities
707 Blackburn Bldg., Ottawa

R. M. Harcourt & Co.
MEMBERS
Toronto Stock Exchange
Stocks
Bonds
Investment Securities
23 Melinda Street Toronto
Elgin 1262
R. M. HARCOURT
R. G. POUPORE
C. E. SINCLAIR

Hodgson, Roberton & Co.
INVESTMENT COUNSEL
Bank of Nova Scotia Building
437 St. James St., MONTREAL
R. Hodgson G. Edwin Roberton

CHARACTER
WHEN buying bonds for investment two factors should be taken into consideration—
FIRST—Property values, revenue producing powers and other tangible elements of security;
SECOND—The character and experience of the investment house which sponsors the issue.
Experienced investors everywhere recognize that the second factor is just as important as the first.
Advisory Board
Sir Charles B. Gordon, G.B.E.
Sir John Aird
W. A. Black
A. J. Brown, K.C.
Hon. Sir Lomer Gouin, K.C.M.G.
Wilmot L. Matthews
F. E. Meredith, K.C.
Fred. W. Molson
Lt.-Col. Herbert Molson, C.M.G., M.C.
Edson L. Pease
W. N. Tilley, K.C.
Hon. J. M. Wilson
The National City Company
Limited
Head Office—St. James and St. Peter Streets—Montreal
10 King Street East, TORONTO · 204 Blackburn Building, OTTAWA · 71 St. Peter Street, QUEBEC

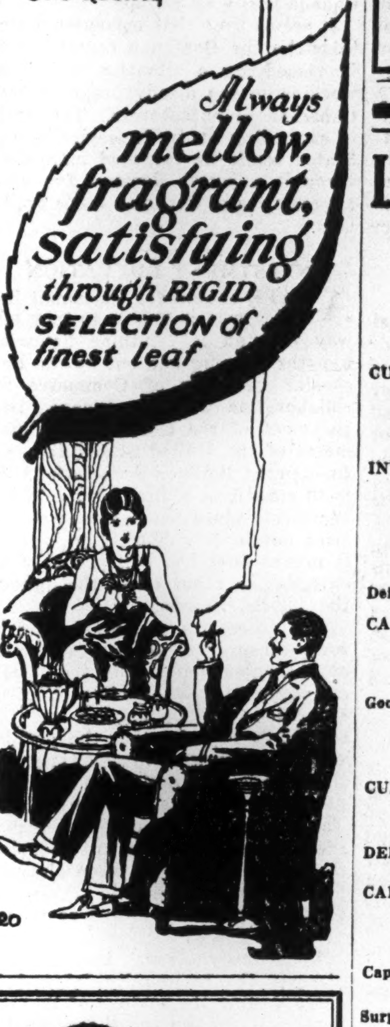
New Issue
State of Rio Grande do Sul
(United States of Brazil)
6% External Sinking Fund Gold Bonds
Dated June 1, 1928 Due June 1, 1968
PRICE: 96½ and accrued interest, yielding from 6.25% to 7.25%, depending upon date redeemed by Sinking Fund which draws Bonds by lot at 100% and interest beginning in 1932, in amounts calculated to retire entire issue by maturity.
MATTHEWS & COMPANY
LIMITED
255 Bay Street Investment Brokers Toronto 2
ELgin 5198

Quebec Harbour Commissioners
4% Bonds due 1938
Price to Yield 5%
Barrett & Wood,
Limited
Investment Bankers
132 St. James St. Tel. HA. 3151
MONTREAL

DIVERSIFIED INVESTMENT TRUST
British Type Investment Trust 50 years in successful operation in England and Scotland
Safety of Principal
Greater Profits
Greater Income
WRITE FOR BOOKLET WITH INFORMATION.
FEDERAL BOND & SHARE COMPANY
Dominion Bldg., 465 Bay St.
Toronto Canada

FIRST MORTGAGE BONDS
(Real Estate and Industrial)
We have a number of select offerings, attractive both from the standpoint of yield and security. Write or telephone for our list.
STEWART, SCULLY Co.
LIMITED
Bonds
10th Floor TORONTO Royal Bank Bldg.
Elgin 8333-4

SIMON'S CIGARS
All Sizes
One Quality



THE WINNIPEG MERCANTILE TRUST COMPANY
EXECUTOR, ADMINISTRATOR, TRUSTEE
A. P. Cameron, Manager
431 MAIN ST., WINNIPEG

We are open to purchase
Suburban Rapid Transit
5% Bonds due 1938
BARRETT & WOOD
Limited
Investment Bankers
132 St. James St. Tel. HA. 3151
MONTREAL

Maritime Province Investments
Government Municipal Corporation Bonds
Inquiries Invited
Eastern Securities Company Limited
Head Office—Saint John, N.B.
Halifax, N.S.
Charlottetown, P.E.I.
Montreal—
The Royal Bank Building

THE FINANCIAL POST

Member Audit Bureau of Circulations

President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Managing Editor—FLOYD S. CHALMERS

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A. B. C. inspection.

ADVERTISING RATES:
Single Insertion—$3.50 per inch.
Financial Reports, Debenture Notices, etc., 25c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE:
Canada and the United States, $5.00 per annum.
United Kingdom, 21s.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143-153 University Ave., Toronto, 2.

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; Rielle Thomson, Eastern Editor. WINNIPEG, 810 Confederation Life Bldg. NEW YORK, 556 Graybar Bldg., 420 Lexington Ave., CHICAGO, Room 1908, 360 N. Michigan Blvd. GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 65-66 Chancery Lane, W.C. 2, E. J. Dodd, Director.

TORONTO, AUGUST 17, 1928

STILL UPWARD

IN AN Atlahtic 'Monthly article, John Moody, dean of American investment counsellors, gives his views on business and investment tendencies. His article is bracing, although it contains no crumb of comfort for the spent and haggard speculator. Moody brushes aside as unimportant recent breaks in the securities markets and present slight recessions in business. The former, by the way, have extended to Canada although the latter have not. He sees no prolonged interruption in the steady upward tendency in security prices; no evidence that the saturation point has been reached in business growth. He is even ready to stake his reputation as a financial seer upon the statement that it is quite possible that American government securities will reach the two to two and a half per cent interest return basis of British consols during the last century, when Britain was the capital market of the world, and this, of course, means that other standard securities will align themselves according to their merits, in suitable rows behind the pace setting investments.

Different as is the position of Canada from the position of the United States in respect to accumulations of capital and the development of business, and notwithstanding the fact that we are still in our investment adolescence while the United States fast approaches the meridian of its financial life, we in this country cannot but apply to ourselves these comments of John Moody. Capital flows with such ease that our securities are bound to pursue closely the trend of securities in the United States. There will be wider variations in the case of individual securities from the general trend because in the younger country the speculative element will be present to a greater degree in each separate enterprise. But speculation works both ways. It will tend to increase the profits of those who are most successful in their investments and to increase the losses of those who choose less wisely or with less luck. Generally, though, the fact that new resources will be more rapidly opened up in Canada will serve to enhance the profits of those who invest carefully in this country.

The far-sighted investor will consider the present decline in Canadian security prices merely as a phase in the longer upward swing. The investor in standard bonds and stocks, who does not put himself in a position of vulnerability as regards temporary reactions still has large profits to harvest in coming years, and he can buy with as great confidence to-day as six months ago, or a year ago.

WHEN UNDERSTANDING LAGS

OWEN D. YOUNG, head of the General Electric Company, is one of the half-dozen most influential leaders of business on this continent to-day. He is more than an administrator of keen abilities; he is a spokesman for business who is as ready to caution and advise business in its relations with the public as he is to interpret business for the understanding of the public.

Some time ago, discussing the power industry, he said: "The danger is that the growth of our industry will outrun public understanding; that the public will see and fear our size without understanding our service."

That is a most incisive comment upon the development of big business, and we are realizing it in Canada at the moment. We see the proposed merger of the Standard Bank of Canada with the Canadian Bank of Commerce attacked, if not on all sides at least in many influential and reasonable newspapers. And there is reason to believe that it is not only the radical members of parliament who are sharpening their lances for a parliamentary foray this winter on this self-same merger. With all the economic considerations apparently supporting the merger, it has failed to receive public approval. Our banks have in size and concentration of resources "outrun public understanding." This, of course, is not fatal. Public opinion will catch up with economic progress if the gap is not too wide. But in the meantime banking leaders can facilitate the closing of the breach by moving slowly in regard to mergers and other banking developments that are difficult for the public to grasp, and by following a continuous process of public education.

There is no synthetic method for obtaining public good will. Institutional advertising, frank statements by leaders in the field, publication of complete financial statements and such instruments are of the highest value, but it must be remembered that they are not enough unless backed up by sincerity of purpose, appreciation of the public viewpoint, and an incessant desire to be understood. There must be no sitting on a pinnacle, no shortness of temper with regard to the public's unreadiness to accept change.

The conquest of public good will requires patience and forbearance, frankness and honesty and sustained purpose.

PARTNER OF BUSINESS

IN another week the portals of the Canadian National Exhibition grounds in Toronto will swing open for the fiftieth time and the greatest annual fair of them all will be celebrating its golden jubilee year.

There will be all the old features and many new. There will be an aircraft show. There will be a new machinery and electrical building. There will be a fine display by the Empire Marketing Board. There will even be on demonstration in one of the buildings a mechanical man that will perform a number of uncanny and almost human feats upon request—expressed not by the pushing of a button but by speaking to it in the English tongue. Practically everyone of the thousands of exhibits on the grounds will bear some direct relation to the world of business. The Exhibition will again show us what art and science are contributing to industrial and commercial progress, will show what Canadian factories and offices are turning out in the way of products and services to fill our modern needs and will bring buyer and seller together in hundreds of lines.

Always in appraising the value of the Canadian National Exhibition to Canada we must not forget its importance as a trade fair, as a show window for industry, as a meeting place for producer and consumer.

The "Ex" is worth a lot to business Canada.

A RADICAL PATRICIAN

RAMSAY MACDONALD is one of those anomalies which are perhaps more frequently encountered in the public life of England than of any other country. Though the leader, and to a degree the creator of the Labor party, he is in manner, and by instinct and association, of the patrician class. Oscar Wilde once described a Radical as a man who had never dined, and a Tory as a gentleman who had never thought. Ramsay Macdonald, one feels, is so far removed from the first description as to have an easy familiarity with the correct use of both a salad fork and a niblick.

Hence there must be a constant "war in his members." With the violent views of men like Cook he can have no sympathy. He has that double sense of Imperial destiny and Imperial responsibility, which marks the most thoughtful men of both the Conservative and Liberal parties. Yet his training and his teaching within the ranks of the Labor party commit him, in the working out of our Imperial tasks, to disturbing views and principles. To these he consistently adheres in his public career. It is not difficult to understand how, at the head of a government, he finds it as difficult to reconcile his professed principles and his instincts, as it is to give administrative coherence to the stubborn and uncompromising views of the members of his Ministry. Some hint of weariness was reflected in occasional remarks made by the distinguished statesman in his addresses to Canadian audiences.

The evolution of parties, new and old, in England, is proceeding in the same way that settled government and ordered precedent have evolved in the rough island story of the Motherland. In that evolution, despite views and policies which may at the moment seem extreme, Ramsay Macdonald is playing an important, and on the whole a salutary part. In that connection, both the information and the courtesies he is now receiving from the Canadian people will be helpful.

TARIFFS AND BRANCHES

ACCORDING to the Industrial Australian and Mining Standard, a number of representatives of other British, American and other foreign manufacturers have visited Australia during recent months, for the purpose of surveying the field and determining the feasibility of establishing branch plants in the Commonwealth.

Commenting on this, the American consul at Melbourne writes to his home office that there are several reasons for this move on the part of foreign manufacturers to establish branch plants in Australia, chief of which perhaps is the tariff wall which the Commonwealth is setting up against foreign goods with the view to stimulating its domestic industry. The Commonwealth seems determined to have a manufacturing community that will supply most of its requirements, and, as mentioned before, is lending every aid to new ventures. Branch plants of foreign industries are welcome and encouraged, and it is likely that this movement to the Australian field will continue indefinitely.

Canada with probably 1,400 American branch plants, has not been getting many of late. Our tariff policy does not now stimulate their establishment to any marked degree.

BUILDING HOME INDUSTRY

THE Kingston Whig-Standard draws a lesson for municipalities and chambers of commerce from the successful record of the industries built up at Renfrew by Hon. Thomas A. Low and some of his local townsmen. The lesson is that chambers of commerce and municipal bodies should give encouragement and assistance to local industries before urging or granting bonuses to out-of-town industries or industries to be started by out-of-town men. The Whig-Standard points out that in the past Renfrew, like many other towns and cities, has bonused this and that industry to locate there, but practically none of these outside interests became an important factor in the building up of this prosperous manufacturing town. T. A. Low has had more to do with the industrial development of Renfrew than any other man, and it indicates the advisability of encouraging home industries.

The practice of giving excessive inducements to industries to establish in towns was formerly a serious evil in Canada, but has now been curbed. In Ontario, for instance, special inducement is now practically limited to a fixed assessment, and this can only be given for a period of ten years and after a vote of the ratepayers and council when higher than a majority vote is required. And no Ontario community is allowed to offer any fixed assessment or other inducement to any industry to encourage it to move from another Ontario municipality. And if we mistake not, no fixed assessment may be given to an industry competing with one already established.

Bidding for industries should be confined to concessions that are not more valuable than the industries themselves. And municipalities and chambers of commerce should help to build up their own home industries just as much as they go after new factories.

TRADE WITH UNCLE SAM

IT MAY be doubted if two trade commissioners in the United States are enough for Canada.

For the fiscal year 1928, Canada's total trade with the United States was valued at $1,216,090,000 compared with a similar trade in 1927 valued at $1,166,357,000 and in 1926 at $1,094,570,000.

To encourage and develop this trade, Canada for a long time only had one representative in the United States and in the past year, two representatives. The principal office is located in New York City, where much valuable work has been done, while the other is part of the Canadian Legation at Washington. In other words, Canada has two trade agencies at work in a market of 120,000,000 people, which annually purchases goods to the value of $500,000,000.

Last year Canada bought from the United States, merchandise to the value of over $700,000,000. American manufacturers have gone after this trade in no half-hearted manner and they have been greatly aided by representatives of the American Department of Commerce, permanently located in this country. These trade commissioners are stationed at Toronto, Montreal, Ottawa, Winnipeg, and in addition, the different consular agents throughout the country work closely with the Department of Commerce.

All in all, American manufacturers have some 93 representatives working in Canada, paid by the American Government, to drum up trade for them.

At the present time the Department of Commerce service in Canada is being greatly extended in order to provide a more complete coverage. A comparison of the number of American trade representatives in this country, with the Canadian representatives in the United States shows how inadequate are the facilities of the Dominion. In the West and Middle States and the Pacific Coast a potential market of great value, Canada is not represented by a Trade Commissioner. In Western Canada with its population of a million and a half to two million people, the American Government has as many representatives as Canada has in all Europe.

It seems time that measures were taken by the Dominion Government in remedying a situation which is working to the disadvantage of the Canadian manufacturers. The cost of expanding the trade service in the States would be returned manyfold through a better demand for and appreciation of Canadian made products.

INVESTMENT EDUCATION

A SAFE course for the small investor who is unable to pick his way through labyrinthine financial bypaths is being laid out by the Rochester Chamber of Commerce in collaboration with the Finance Department of the Chamber of Commerce of the United States and the Investment Bankers Association. It is to constitute a first course in investment education which will be tried out in New York City, and if it proves effective, will probably be extended to other cities throughout the United States.

The successive stages along this route—insurance, savings accounts, home-owning, and finally the outlay of accumulated savings in productive securities—will be marked out for the public in order that the pitfalls to which the unwary investor is oftentimes enticed by seductive promises of fabulous profits may be avoided. The project is based on the idea that the most effective way of inducing the small investor to keep clear of fly-by-night stock selling schemes is to induce him to follow a sound investment policy.

Incidentally, too, the project stresses the community interest in safeguarding the savings of its residents. It follows the theory that a city of wise investors is much better off than one the citizens of which put their money into doubtful enterprises of which they have no knowledge except through an alluring prospectus.

EDITORIAL NOTES

THERE ARE no handsome bank presidents in Canada but we like their pictures anyway.

* * *

IF IT WAS the original purpose of the Olympic games to foster international goodwill, they are slipping badly. The present games have merely led to international recriminations. Some Canadian sporting editors at the games have done little to save the situation.

FOLKS and Finance

PUGWASH once may have been just a name, and a rather odd one, to the general run of tourists. But it won't be any longer if Cyrus S. Eaton, Cleveland millionaire banker and utilities operator and newly arisen figure in the steel industry, can have his way. He wants to fix up the town at his own expense.

Pugwash is an infinitesimal speck on the rugged northern coast of Nova Scotia, a station on the Canadian National Railway, a quiet harbor on the Northumberland Strait, and a fishing village of about 750 population.

To Mr. Eaton it is a home and worth seeing.

He was born there in 1883 and spent most of his boyhood there. He left it to go to college, and never went back save for short visits. Then Eaton went to Cleveland at the age of 19, gradually became one of the largest operators in the country in public utilities, was made a partner in Otis & Co., and last year his was the hand that consummated the merger of the Republic Iron & Steel Co. and the Trumbull Steel Co., which made him outstanding nationally in the industry.

Though he became wealthy and socially and financially powerful, Mr. Eaton never forgot the drifting fog and the rugged outlines of his native town. He went back there for a visit a short while ago.

The village was about as he recalled it, but quieter than he had thought. There weren't many people which, he must have thought, was a shame.

He left the town without divulging his plans, but a few days ago, dispatches said, Main Street was electrified by a letter from him proposing to pay the cost of improvements to make the town more attractive. He asked for an estimate of what the townsmen wanted.

His letter indicated that he was interested in making the village especially attractive to tourists, according to the dispatches, and he proposed that the estimates include, in addition to the straightening of Main Street, the laying out of a quiet little park, the building of a hotel (the town hasn't had one), and the consulting of the Canadian National Railways for ideas.

He also stipulated that the Hon. Percy Black, minister of highways of the Nova Scotian government, be asked to represent him in the improvement work, and directed that all proposed expenditures be submitted to Black for consideration first.

Pugwash, of course, is as excited as never before. Plans are immediately going forward, according to dispatches, for meetings to consider what every Pugwashian thinks ought to be done to his native town to make it the mecca of tourists.

Since the chief proprietor of the Kingston Whig-Standard is Rupert Davies, who used to publish the Renfrew Mercury, we may assume that an editorial in the Kingston paper about Renfrew's chief citizen is based upon some knowledge of the man. Here is what the Whig-Standard says of Hon. Thomas A. Low:

"The friends of Tom Low will rejoice at his continued success. His life story is one of the romances of Canadian business. There was no silver spoon, and as in the case of so many other Canadians who have become prominent in business and financial circles, there was not even a university education. T. A. Low was, however, endowed by his God-fearing parents with the two great essentials for success: a robust constitution, and a keen sense of honor. Combining with a strong character a tremendous capacity for hard work, he overcame obstacles that seemed almost insurmountable and pushed aside barriers that appeared to block the way to success. He never looked back, and the word failure was not in his bright lexicon. The porters on the midnight trains knew him well, and being his own best salesman it was a common thing for him to spend five nights on the train during the busy season. The success of to-day is the result of hard work and honest dealing.

SUPER-OPTIMISM personified, together with a goodly portion of super-egoism,—this is Henry Ford on his 65th birthday. After speaking feelingly of his 15,000,000 T-model Fords, his profits, and his great service to the public, he says: "So far as the future is concerned, I expect to do more in the next five years than in the last twenty."

POST-scripts

CANADA will shortly be the host to a party of Australian tourists. Organized as a part of Scottish-born Australians; the delegation, over 60 strong, left Australia on a special steamer some months ago and have been touring the British Isles. Now about 150 of them are returning via Canada and will see the Canadian National Exhibition, the Rocky Mountain parks and other Canadian features.

Archibald Gilchrist, manager of the delegation, explained something of its purpose to The Financial Post this week. There seems to be in the tour an idea available for exploitation by Canadians.

The party proved to be a great advertising medium for Australia in the British Isles. At each point visited there were civic receptions at which various members of the party took occasion to tell Britishers something about what a fine place Australia is. Arrangements were made for the party to be broken up into scores of little groups and these groups were invited to high tea at various British homes in all the centres visited in Britain. Each home was presented with a little box containing samples of Australian produce, a cube of cheese, a jar of honey, an Australian apple, etc. This served as the starting point for the evening's conversation which always ranged around Australia and its wonderful advantages.

Mr. Gilchrist thinks that these thousands of individual conversations in British homes were the biggest feature of the trip from the standpoint of advertising the Dominion beneath the Southern Cross.

Farm Labor Situation Cries Out For Solution

Farmers Turn to Mechanization of Farms, But Permanent Policy of Providing Labor for Farms is Needed from Government

By C. W. PETERSON,
Editor, Farm and Ranch Review, Calgary

Once more the West is on the eve of harvesting a record crop and the question of providing the necessary labor to handle it confronts the country. Past methods of solving this problem have been decidedly inadequate and it is high time that serious thought was focussed on this matter. Owing to the arbitrary curtailment of immigration during the summer of 1927, when our immigration officials at Ottawa succumbed to a severe brain storm, the prairie section found itself short of harvest labor to the extent that thousands of acres of wheat were left on the ground and had to be harvested last spring, involving a serious economic loss to western farmers, and a desperate risk of total loss. The volume of immigration this year has been smaller than during 1927, to the tune of some twenty per cent. and we may well wonder where the labor is going to come from to save the wonderful crop bounteous nature has again bestowed on us.

The Superman Fiction

Recent conversations between our Deputy Minister of Immigration and the Vice-Chairman of the British Overseas Settlement Committee, are not reassuring. Mr. Egan apparently took great pains to point out that almost superhuman labor is involved in our harvest field and that only the strongest and healthiest men could hope to stand up under the strain, all of which reads like a chapter from Munchausen and reflects his monumental ignorance of western conditions—a very disturbing disability for a man in his responsible position. British labor faces quite sufficient discouraging conditions in endeavoring to enter Canada without deliberately magnifying the severity of the task that will confront them on arrival.

Western farmers are not supermen and do not expect to employ supermen. Far from it. Most of our harvesting operations nowadays consist in machine work and is well within the ability of quite ordinary, normal humans. The hours, of course, are long compared with urban employment, but there is seldom any suggestion of "slave driving." The pay is high and the food generally good and the average farm laborer has no grievances whatever. The chief objection would be perhaps that he frequently has to put up with somewhat sketchy sleeping quarters, but that is all in a day's work.

Farm Mechanization

However, through the efforts of the two railways, carefully censored by the Department of Immigration, we may expect some thousands of harvest helpers from Great Britain and doubtless there will also be the usual rush of nondescript labor from the eastern provinces into the western harvest fields, followed by the usual winter unemployment scourge in our western towns and cities. The crop will be saved—it always is—but it would be idle to deny that the prairie farmer this year faces the greatest labor problem in western history, and it is to be hoped that this forthcoming crisis will have the effect of directing attention to a more intelligent solution of a difficulty, which our ever increasing crop area is rendering more and more acute as years go by.

The farmer himself is fully alive to the situation and through the purchase of combine harvesters and other labor saving machinery in huge volume, is making desperate efforts to displace expensive and most unsatisfactory hand labor in the harvest field. Few people fully realize the enormous extent of farm mechanization in the West. The average increase in implement sales this year over last year which itself was a record year, was 82 per cent. compared with only 5.2 per cent south of the line. Without this spectacular and timely development, we could never hope to cope with the stupendous task that confronts us this autumn.

Domiciled Farm Labor

Every person conversant with the facts agrees that Canada faces a permanent agricultural labor problem. And we might as well clearly understand that until this is solved we cannot make any worth while progress in diversifying our farming operations. With our highly mechanized agriculture we have a double difficulty to solve in connection with labor. First, we require a higher type of skilled men capable of operating and caring for intricate and expensive machinery and, secondly, the agricultural labor requirements, in sympathy with a higher wage scale, are becoming more and more seasonal. The Canadian farmer now has to depend largely on town-bred and very inferior labor and where this is brought in in large volume, as during the harvest and threshing seasons of the West, it inevitably leads to an acute unemployment situation during the winter, the brunt of which urban centres are quite unfairly required to bear.

It is clear that this whole system is radically wrong and uneconomic in the highest degree. In Great Britain and Europe farm labor is resident on the land or in villages, occupying cottages and bits of gardens owned by the landlords. This system could not easily be introduced in Western Canada and would be difficult in the East. Recognizing that agricultural labor is distinctly in a class by itself and should be, as it were, attached to the land, the obvious course is to settle it on small farms where the laborer and his family can be profitably employed when not working out. The present situation presents a useful field for careful investigation.

Assisted Labor Settlement

Skilled, agricultural labor can, however, be obtained amongst the British and European small farmer class and it should be a comparatively simple matter to work out a plan of assisted labor settlement on twenty to forty acre tracts or less on our more inferior lands, coupled with an economical transportation scheme from such settlements to districts where seasonal help is needed from time to time. These "laborer-settlers" would in time develop their own holdings and become useful producers, or purchase larger areas as they accumulate capital. The development of our sugar industry depends absolutely on labor of that type. This class of colonization would have to be assisted by way of loans. But it would be a first class investment from a development point of view.

The question of occasional domestic labor also enters into the matter. The overworked farm woman faces periods of extra strain during the agricultural year. It is useless to look to urban centres as a source of occasional help. Domestic servants will not go into country districts away from the conveniences and amusements of the towns. And they do not have to. Competition for their services is too keen in urban communities. To obtain such labor upon our farms for short periods during the year is, therefore, practically impossible. The plan under discussion would also solve this very serious problem. The wives and daughters of this class of settlers would welcome the opportunity to earn a substantial sum during haying, harvesting, threshing and fruit picking seasons as well as in our sugar beet fields where this system has already been successfully tried out.

Economic Wage Scale

Objections may, of course, be made to labor of this class accepting rates of pay below that usually demanded. But we cannot safely think in terms of wages and shop conditions of urban labor when discussing the necessities of our agriculture. No one deplores the farmer's inability to pay union wages and adopt union hours more thoroughly than the farmer does himself. But to apply such an ideal programme would involve butter at a dollar a pound retail with prices of other farm produce in proportion, and no class of consumer has hitherto exhibited any alarming desire to voluntarily place his household budget on any such costly basis.

Intelligent people have long ago given up the hope of any constructive contribution emanating from our moribund Federal immigration administration on matters affecting the colonization of Canada. Public opinion must assert itself and endeavor to goad the department into action. A colonization policy that would even partly solve the casual farm labor problem would presently instill new life into Canadian agriculture and would lead the way to sound diversification in production.

Impartial Analysis of Investment Lists

Any analysis of an investor's holdings must be impartial. In making analyses we studiously avoid the tendency to suggest that an investor should sell some of his holdings and buy issues that we may be interested in.

If, therefore, you wish to get an impartial analysis of your security holdings, we will endeavour faithfully to give it you, if you will send us your list.

Cochran, Hay & Co.
Limited
Dominion Bank Building, Toronto
J. STRATHEARN HAY, *Member, Toronto Stock Exchange*
HAMILTON LONDON KITCHENER WINDSOR

Other People's Views

The True Foundation for Public Information

Electrical World, New York.—If the power companies are not to operate public utility information bureaus to disseminate facts about the experience and results of their operations, how should they proceed hereafter in telling their story? The attitude of the Senate and the Federal Trade Commission would seem to indicate that such large-scale publicity activities by public service companies have made a bad impression upon the public and that some other way should be found to interpret the performances and plans of these corporations. For there can be no question of either their right to be heard or the necessity for it. Electric power companies are under public regulation and are owned by millions of citizens through share holdings, and the record of their stewardship should be made plain. Moreover, private operation of public utilities is under constant attack by the proponents of government ownership, and both the invested capital and the economic principles involved must be defended. For the right of free speech cannot be denied to a great industry just because it is a public service.

In our complex modern civilization neither a man nor a service can be known by good works alone. These good works must also be advertised and sold to be noticed and evaluated and employed. And power companies must advertise and sell by the most expert modern methods if they are to develop their markets and play their part in the world. Also they must explain and make themselves known and understood. It was to this proper purpose that the information bureaus were dedicated, and had they been adequately directed and controlled probably all would have been well. But they were not, and it is doubtful whether such a distended organization as these state committees can be adequately supervised. Publicity is a boomerang which returns with violence on the slightest infraction of good taste. The safer way is the more natural, direct and effective process that leads every company to make its reputation and its friends in its own territory.

No matter how constructive and how true may be the information introduced into the schools through an organized publicity service in the pay of an industry, the public will resent the act as a tampering with a sacred institution, even though in many cases this information was requested by school authorities. But the executives of the local company can and should bring the same knowledge and understanding of the economics of modern utility operation to the teachers in the local schools, who are their friends and neighbors, and make their company policies and purposes known to their local lawmakers and press and public as a matter of natural local interest and responsibility. No possible criti[cism] could be made of this.

The utility is also a local institu[tion] in the territory it serves. Its prob[lem] of publicity is mainly local. Its obli[ga]tion is to local public opinion, ... there also lies its opportunity. And ... confidence and sympathy are ... founded in each locality, the merit ... the industry will be known to the ... tion.

"Stop Me If You've Heard This One"

"Well, your worship, it was like this," said the man charged with disturbing the peace. "Me and my wife gets into an argument over the washing money. She calls me a lazy loafer and hits me on the head with a kettle. Then I knocked her down and up she comes again and knocks me down and kicks me in the neck?"

"I see," said the magistrate; "and what next?"

"Then we gets mad and starts a fight."

Suggest Marketing Board Extend to Whole Empire

Dominions Newspapers, a British organization, comprising London representatives of business papers published throughout the Empire, has suggested to the British government that the work of the Empire Marketing Board be extended throughout the British Empire. It is suggested that the board be given authority to spread the idea of buying within the Empire in all the Dominions and colonies and that its activities should not be restricted merely to the British Isles.

Investment Consultation

NO matter how small your available funds may be we invite you to make an appointment with a member of our firm to discuss the investment of it.

By so doing you incur no expense and place yourself under no obligation to us.

Inquiries invited.

R. A. DALY & CO.
LIMITED
BANK OF TORONTO BUILDING
TORONTO

Housser Wood & Co
LIMITED
Orders Executed on the Toronto Stock Exchange
R. F. DAVIDSON,
Members Toronto Stock Exchange
El. 7193-4-5-6
Royal Bank Bldg. Toronto

MURRAY & COMPANY
Specializing in
Government, Municipal and Corporation Bonds
METROPOLITAN BLDG.
ELGIN 8439-8439 TORONTO

ANGLIN-NORCROSS
(LIMITED)
Contracting Engineers and Builders
MONTREAL :: TORONTO

Grant Johnston & Co
MEMBERS
MONTREAL STOCK EXCHANGE
MONTREAL CURB MARKET
250 Notre Dame St. W.
MONTREAL
TELEPHONES Marquette 8183

"HAVE YOU TIME FOR YOUR OWN PRIVATE AFFAIRS?"

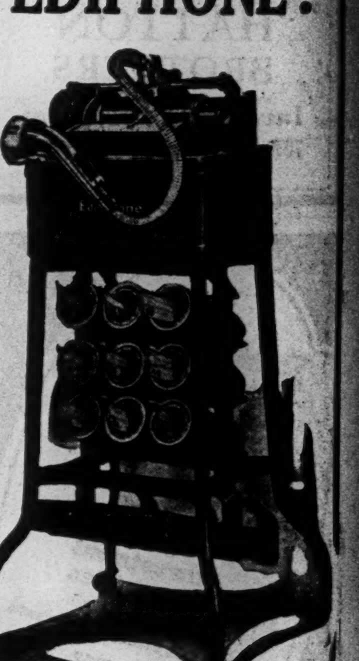
Busy men frequently find as they progress in their business or professional careers that they are left with less and less time to devote to personal matters.

A solution may be found in the varied services offered by the modern Trust Company. Plans for the future can often be placed on a firm basis through the creation of a trust. A Trust Company also manages Real Estate, supervises investments and acts as Agent.

Write for Booklet, "LOOKING AHEAD."

The TORONTO GENERAL TRUSTS CORPORATION
"Canada's Oldest Trust Company"—Established in 1882
HEAD OFFICE TORONTO
MONTREAL OTTAWA WINNIPEG
REGINA SASKATOON VANCOUVER
THE OLD PILOT
86

What Is The EDIPHONE?



The Ediphone is the world's most popular dictating machine and the only one made by THOS. A. EDISON
THE DICTATING MACHINE CO.
LIMITED
13 Adelaide St. E.
Toronto 2
Tel. Elgin 9660

WHEN REMITTING SEND CANADIAN NATIONAL EXPRESS MONEY ORDERS

Private Wire Connection to New York, Chicago, Winnipeg, Montreal, Toronto, and Vancouver.
G. F. TULL & ARDERN
LIMITED
STOCK, BOND, GRAIN and FINANCIAL BROKERS
LANCASTER BUILDING
CALGARY, Alberta

Background of Business

Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

Wheat Crop Averages $397,000,00 a Year
Railway Earnings and Carloadings Show Increases in July
Credit Stringency Too Detrimental to Canadian Business
Present Wheat Crop a Bright Spot in the Economic Picture

WHETHER the variation in crop yields constitute one of the principal causes of industrial fluctuation is a fruitful subject of investigation. It is recognized that agriculture and industry are complementary factors in national progress. If either group is prosperous, the conditions tend to spread throughout the economic unit. If, on the other hand, adverse weather restricts the income of the farmer, industrial areas are bound to suffer accordingly.

It is now clear that Canada last year harvested the largest wheat crop in her history. Published estimates placed the 1923 crop first with a total of 474,000,000 bushels, while 1927 was second, the total being 440,000,000 bushels. The receipts at the country elevators and platform loadings in the prairie provinces during the crop year ended July 31 last, were nearly 410,000,000 bushels, while the total estimate was only about 415,000,000 bushels. After allowance is made for the grain used for seed and other items, it is considered that the estimate for the three provinces was 33,000,000 bushels less than the actual harvest. If this difference is taken into consideration, with the over-estimate of two or three million bushels in 1923, it will be plain that last year's crop was really a few million bushels larger than in any other year.

Nearly $400,000,000 a Year

Even if the the revised output is taken into consideration the value of the crop was somewhat less than in 1925 when better prices prevailed, but much more valuable than in 1923 when the price was specially low. During the last six years the wheat crop alone has been worth to the farmer the enormous sum of $2,379,000,000, or an average of about $397,000,000 per year. The success which has attended wheat-growing is doubtless one of the chief factors in the general prosperity of the Dominion so apparent during the present year.

The favorable developments along agricultural lines have helped to alter the position of the railways which has recently been very favorable. The gross earnings of the Canadian National Railway, exclusive of the Eastern and United States lines, were $19,459,000 in July compared with $16,582,000 in the same month last year. The gross earnings of the Canadian Pacific Railway in July were $17,449,000 compared with $15,490,000. The increase in the gross revenues of both systems was 15 per cent. and the comparison with June last year was also favorable although June is usually a better month in this regard. The car loadings in July amounted to 313,500 cars compared with 294,500 cars in June last. After adjustment for seasonal tendencies the increase over June was nearly eight per cent. These comparisons are given to show that the railways are sharing in the present wave of prosperity. As the two large railway systems are transcontinental in their scope, operating in practically every province, they cannot but be affected by general business conditions throughout the Dominion. The excellent results attained in July seem to indicate that busines operations are continuing in good volume, though comprehensive statistics are not yet available to permit a definite statement.

Expect Good Quarter

The general conclusion is that the physical volume of business was at a high level in the second quarter—up to that time the highest point in the history of the Dominion, and that from present appearances the third quarter will be quite satisfactory. Present operations are much greater than in the corresponding period of 1927, and are being maintained at a scale satisfactory to optimistic believers in the future prosperity of the Dominion.

Tighter Money Seen

In any forecast of future business conditions, the credit situation must be carefully considered. Will the tight money situation and higher interest rates affect business enterprise adversely in the next few months?

The rapid development during the last two or three years of Canadian enterprise notably the mining, paper and hydro-electric power industries, has involved the extensive use of capital. Much of the required funds has been obtained through the issue of bonds and stocks but recently the demand for credit accommodation through the banks has become more extensive. The increase in current loans during the last twelve months has been especially marked. As an indication of the material advancement of the Dominion this tendency was regarded as constructive. In the meantime, however, call loans in Canada have shown a more rapid percentage growth. The active trading at advancing prices on the Canadian exchanges could not be maintained except through the use of considerable credit. The aggregate increase in the two classes of loans was such as to cause concern in some quarters. It was thought that the loans of the banks were getting out of balance with the reserves. The ratio which the reserves should bear to the loans is not stipulated in the Bank Act, but there is a limit set by conservative banking policy which should not be exceeded.

Influenced By U. S.

Banking developments in the United States have also influenced the situation in this country. A policy of credit restriction was adopted about the beginning of the present year. The sale of government securities on the open market and the raising of the rediscount rate to 5 per cent., were the means taken in this direction. The export of gold amounting to about $600,000,000 mainly to Europe and South America also had the same tendency. The end in view was the reduction in the brokers' loan account on the New York Exchange which had reached in May the enormous total of $5,000,000,000.

One of the indirect results of the action of the Federal Reserve Board was the reaction in the price of stocks on the New York Exchange. The decline in June was severe while during July the market was inactive, the rally in the latter part of the month counterbalancing the decline in the first part.

The Canadian banks could not stand idly by while such attempts were being made in New York to restrict credit. The higher call rates in that city resulted in the withdrawal of funds in large volume from the Canadian exchanges and the banks were more conservative in making loans for speculative purposes. The Canadian stock markets continued weak during July and a sharp reaction occurred at Montreal, in the first week of August.

Outlook for Business

What is the outlook for general business and for speculative values in the next few months. Providing favorable weather is forthcoming, one of the largest wheat crops in the history of the Dominion will be harvested. The official report indicating that conditions on July 31 would warrant a forecast of around 500,000,000 bushels. This factor is the strongest element in the support of general business at the present time. The transportation companies including Canadian Pacific and Canadian National Railways will be favored with another year of heavy freight movement. This will benefit the iron and steel industry as well as the railway equipment concerns. Providing the price is satisfactory, general trade in the prairie provinces will benefit, although there is a possibility that the net return to the farmer may be less than last year. The export of grain and flour will tend to support the Canadian dollar in external money centres and to enable us to offset our expanding imports.

Current loans are normally at a peak in November, the financing of the wheat crop absorbing considerable credit. It does not apear that the credit situation would be much improved until after the funds involved in the financing of the crop are released. This would point to a tight money situation until toward the beginning of next year.

VOLUME MUCH LARGER

Canadian manufacturing plants are turning out in physical volume approximately 140 per cent. of the output reached at the peak of war-time activity ten years ago, and, in spite of lower prices, their products have a gross value over 20 per cent. higher, says the Bank of Commerce current review of the economic situation. The value for 1927 was recently stated to be in the neighborhood of $3,500,000,000, or about $250,000,000 above the figure for 1926. This constitutes a record in the history of the country and indicates the extent to which Canada has shared in the general industrialization of non-European countries since the war.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly — Latest — This Year	Last Year	Cumulative for Year — This Year	Last Year
Car Loadings (Aug. 11)	68,477	60,094	1,878,936	1,782,212
Stock Index (Traders Aug. 11).	378.1	377.2	......	......
C.P.R. Gross Earnings (July 31)	$ 5,618,000	$ 4,816,000	$ 112,429,000	$ 101,512,000
C.N.R. Gross Earnings (Aug. 7)	$ 5,217,318	$ 4,512,690	$ 151,722,649	$ 139,740,699
Production	Monthly			
Pig Iron, tons (June)	97,379	69,437	468,013	403,713
Steel, tons (June)	116,530	59,940	648,338	487,310
Newsprint, cwt., (June)	192,391	170,379	1,163,366	996,462
Automobiles (June)	28,399	19,208	124,988	126,808
Boots and shoes, pr. (June)	1,543,142	1,475,493	9,223,327	8,847,761
Flour, bbls., (June)	1,359,459	1,314,212	8,874,494	8,105,839
Construction—				
Building Permits (June)	$ 22,628,907	$ 18,363,239	$ 101,606,198	$ 80,842,719
Contracts (July)	38,359,600	50,881,000	294,616,900	242,204,800
Labor—				
Employment Index (July)	116.3	108.4	......	......
Trade (June)				
Imports	$ 110,703,773	$ 101,018,386	$ 588,744,480	$ 533,857,916
Exports	$ 107,121,091	$ 105,678,453	$ 562,221,969	$ 560,032,414
Imports of Key Products—(June)				
Rubber, lbs.	5,896,765	4,672,405	32,664,375	32,324,760
Cotton, lbs.	8,469,292	10,697,443	66,171,109	65,519,650
Sugar, cwt.	869,718	954,451	4,421,195	....
Petroleum, gal.	17,125,839	14,540,193	247,103,394	....
Coal, tons	1,175,576	1,561,829	9,245,514	....
Exports of Key Products—(June)				
Newsprint, cwt.	3,480,623	3,189,893	6,479,098	....
Automobiles, No.	4,431	3,089	20,355	....
Wheat, bush. (June)	21,959,638	15,863,044	112,829,833	105,130,539
Wheat flour, bbls.	716,013	846,700	4,887,235	4,617,670
Electric Power—Output—				
M. Kilowatt hours (June)	1,233,922	1,107,927	7,693,197	6,680,320
Population—				
Emigration (May)	4,498	5,259	23,700	26,775
Immigration (June)	20,303	18,052	93,596	77,457
Finance—				
Failures, No. (June)	130	138	960	890
Failures, Liabilities (June)	$ 2,194,595	$ 2,437,981	$ 14,085,085	$ 14,358,932
Bank Debits (June)	$3,880,843,609	$2,879,703,851	$21,125,932,010	$16,018,185,734
Bond Sales (June)	$ 74,253,686	$ 79,686,404	$ 284,125,346	$ 281,982,268
Insurance Sales (June)	$ 51,844,000	$ 45,298,000	$ 280,497,000	$ 246,876,000
Wholesale Prices (1913-100)—				
General Index (June)	150.2	153.5	......	......
Iron	140.9	143.5	......	......
Cotton, raw	178.1	135.6	......	......
Grains	165.3	180.5	......	......
Cattle	156.0	130.1	......	......
Rubber	37.9	60.7	......	......

Agricultural Survey

Talk 500,000 Bushels More Apples in B.C. Potatoes in Maritimes Creamery Revenues Grow

WITH the cutting of wheat, barley, rye and oats and some threshing now under way, the Western provinces are more confident than ever in their expectations of a record grain crop this year. Not only are the areas planted to wheat, oats and barley larger this year than last, but growing conditions have been unusually good and a most promising sign of a large wheat yield has been the almost entire absence of rust. And the season is so far advanced this year as practically to preclude the danger of any further damage by rust or other pests that have been absent so far this year. It is therefore freely predicted that the wheat crop will easily measure up to 500,000,000 bushels, despite some past and prospective damage by hail.

Last year's wheat crop reached 450,000,000 bushels and that of 1926, 409,811,000. Official estimates respecting this year's acreages of the main crops and comparisons with the crops of 1927 are as follows:

	1928	1927
Wheat, acres	22,440,000	21,425,656
Oats, acres	8,243,000	8,202,067
Barley, acres	2,935,000	2,838,346
Rye, acres	604,800	651,130
Flax, acres	441,500	465,451

Depends on Weather

A well informed but conservative estimate sums up crop prospects as follows: "In Manitoba the harvest outlook is regarded as far better than last year. In Saskatchewan it is slightly better, and in Alberta it is at least as good as at this time in 1927. What the harvest will ultimately amount to depends upon the weather from now on."

Investigators from the Dominion Government rust laboratory in Winnipeg have stated, after thorough investigation, that they have found only a sprinkling of rust spores here and there in Southern Manitoba. The amount of rust showing up in Saskatchewan is said to be so small as to cause no concern while Alberta appears to be entirely free of it; and owing to the advanced condition of the wheat crops it is doubtful whether there could now be any serious ravage by rust.

The procuring of sufficient harvest hands to garner the big crop presents the usual problem, but no actual uneasiness is felt although, despite the contingents of harvesters from England and from the United States and Eastern Canada, there is no likelihood of any surplus of labor and there may possibly be an acute shortage of harvest hands. That, despite the growing vogue of the reaper-thresher and other labor-saving mechanical harvesting implements.

Better Okanagan Crop

As regards the other provinces of the Dominion the general situation appears to be good. In British Columbia the apple crop of the Okanagan Valley is expected to exceed that of last year by at least 25 per cent. and other crops are doing well. Ontario, also, is coming along well in almost all directions and Quebec seems likely to establish a new record for agricultural production.

New Brunswick reports some potato blight from the recent long, wet spell, which has made spraying difficult, but the crop apparently presents a good appearance. Nova Scotia concluded a very favorable haying season with heavy crops stored away in good condition. The grain crops are promising and the apple crop of the Okanagan Valley will likely be somewhat better than last year.

Dr. J. A. Ruddick, Dominion Dairy Commissioner, who recently returned from the Old Country where he attended the World's Dairy Congress and visited many trade centres, reports the prevalence there of a feeling that the dairy industry in Canada is declining—a feeling detrimental to Canadian business in the United Kingdom, and due largely to pessimistic utterances by persons in the trade on this side. "I was glad, therefore," he remarked, "to accept invitations to address meetings of the Produce Exchange in London, Bristol, Liverpool, Manchester and Glasgow. In this way I met over 200 importers and wholesalers, interested in the trade in Canadian dairy products. I learned many things that should be useful to Canadian makers which took place at these meetings, and I hope that what I was able to state at the meetings and in many personal interviews, with regard to the actual situation in Canada, will not be without some useful result."

Dairy Output Up

A report of the Dominion Bureau of Statistics shows the output of the Canadian dairies in 1927 at $133,927,256, an increase of about $500,000 over 1926. The production of creamery butter increased in quantity by over 1,000,000 pounds and in value by nearly $5,000,000. Cheese, on the other hand, decreased in quantity by nearly 34,000,000 pounds and in value by nearly $3,000,000. The production of creamery butter in 1927 amounted to 178,438,013 pounds valued at $66,070,160, compared with 177,209,287 pounds in 1926, valued at $61,753,390. The quantity made in 1927 is the second highest in the history of the industry, while the value exceeds that of any previous year. Factory cheese to the amount of 138,026,861 pounds was produced in 1927 and was valued at $25,157,355, a decrease in quantity from the preceding year of 33,704,770 pounds and in value $3,290,486.

GEORGE A. FULLER COMPANY OF CANADA LIMITED

BUILDING CONSTRUCTION

MONTREAL TORONTO

Established in Canada in 1909

Roberts Cameron & Co LIMITED

HEAD OFFICE Atlas Building TORONTO ADEL. 3406

Montreal Office BEAULIEU & DUNCAN Board of Trade Bldg. Main 8766

Bonds: Government, Municipal, Corporation, Real Estate — Stocks: Listed, Unlisted, Mining

E. McLEOD DUNCAN

Member-Montreal Curb Market

Capital: $1,000,000
Reserve: 350,000

Complete Trust Service

covering

Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults

THE EASTERN TRUST COMPANY

Head Office—Halifax, N.S.
Saint John, N.B. St. John's, Nfld.
Charlottetown, P.E.I.
MONTREAL—138 St. James St.

Competition Demands Instalment Selling

Let our long experience and careful administration of credit extension replace obsolete methods in merchandising. Present day competition demands instalment sales.

For Manufacturer's Output

As a subsidiary company of an international organization, with connections in 55 countries, we are prepared to give clear-cut and judicious co-operation in financially servicing manufacturers and their dealers throughout Canada.

For six years our Canadian business has been with one of Canada's largest manufacturers of motor cars. Our credit facilities are available now for wider instalment merchandising.

Call or write for further details.

Industrial Acceptance Corporation of Canada Limited

Windsor Toronto Montreal Calgary

STEWART, McNAIR & CO.

MEMBERS TORONTO STOCK EXCHANGE
MEMBERS NEW YORK CURB (ASSOCIATE)

Direct Private Wires to Montreal, New York and Chicago

ELGIN 0421-2-3-4-5-6-7

TORONTO STOCK EXCHANGE BUILDING, TORONTO

NEWBOLD C. JONES BRIAN HEWARD JOHN D. MACPHERSON

JONES HEWARD & CO.

MEMBERS MONTREAL STOCK EXCHANGE

214 ST. JAMES ST. (Ground Floor)

TELEPHONE HARBOUR 6131

Canadian National Railways

BUREAU OF INFORMATION

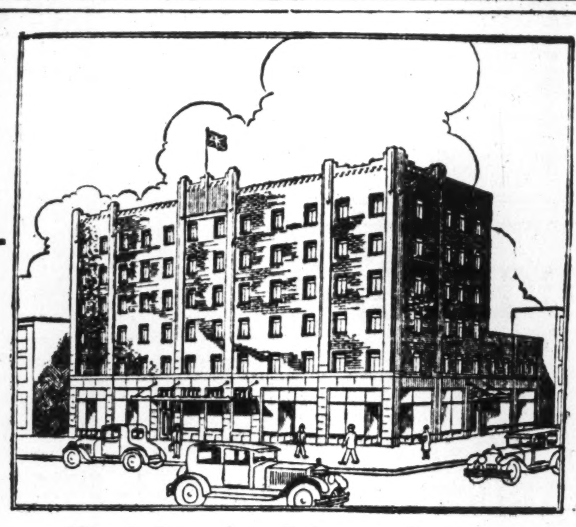
A STAFF of officers, qualified to give information of the widest possible character, based upon a practical knowledge of the country, is maintained for the convenience of all persons desirous of investigating opportunities in Canada for investment of capital in development of industrial, mining, sylvan industries and water power.

Enquiries Invited

Natural Resources Branch, C.N.R. General Offices, Montreal, P.Q.

C. Price-Green, *Commissioner.*

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH of TORONTO and
CLARKSON, McDONALD, CURRIE & COMPANY of MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 Wellington Street West TORONTO



Hotel Genosha, Oshawa, Ontario

Security for an issue of

$325,000.00

UNITED BONDS — First Mortgage Real Estate Serial Gold

Dated July 5, 1928 — Maturities 2 to 10 Years

Denominations $50, $100, $250, $500 and $1,000. Interest coupons payable at par, January 5th and July 5th, at any branch of the Royal Bank of Canada, or in Detroit or New York. Normal Dominion income tax refunded. Price: Par and accrued interest.

A new and thoroughly modern hotel on the Toronto-Montreal highway, in one of Canada's most thriving cities. Adjacent to the Canadian plant of the General Motors Corporation.

Of the finest construction, and designed to meet all needs of the tourist and commercial travelling public.

A SOUND INVESTMENT OPPORTUNITY

UNITED BOND CO., LIMITED

WINDSOR TORONTO

United Bond Co., Limited, Dept. 18
302 Bay St., Toronto, or Security Bldg., Windsor.

Without placing me under any obligation, send literature describing the Hotel Genosha issue of United First Mortgage Bonds.

Name ....

Address ....

....

Building at Reasonable Cost

We specialize in the erection of large buildings — office, hotel, store, apartment, etc.

The wonderful reputation this firm has acquired as engineers and builders was earned by many years of service.

Let us work on your building problem.

J W BUTLER COMPANY LIMITED

ENGINEERS BUILDERS

ROYAL BANK BUILDING

TORONTO 2 CANADA

A. E. AMES & CO. LIMITED

Business Established 1889

CANADIAN Government, Municipal & Corporation SECURITIES

53 KING ST. WEST - TORONTO 2
360 ST. JAMES STREET W., MONTREAL
11 WALL STREET - - NEW YORK
LONDON BLDG. - - VANCOUVER
BELMONT HOUSE - VICTORIA, B. C.
GRESHAM HOUSE - OLD BROAD ST. LONDON, E.C.2. ENG.

ENQUIRIES INVITED

William E. Reid Co. Ltd.

Investment Bankers

Stocks, Bonds and Grain

635-639 Grain Exchange WINNIPEG

MEMBERS
Winnipeg Stock Exchange Winnipeg Grain Exchange
Chicago Board of Trade

W. R. C. DA COSTA J. A. McNICOLL

DA COSTA & CO.

MEMBERS TORONTO STOCK EXCHANGE
MEMBERS MONTREAL CURB MARKET

Royal Bank Building, TORONTO, ONT.

Telephones: ELgin 2364-5-1654

HICKEY, MEGGESON & Co.

TORONTO STOCK BROKERS MONTREAL

Members: Montreal Stock Exchange.
Members: Montreal Curb Market.

ROYAL BK. BLDG. TORONTO ELGIN 6446

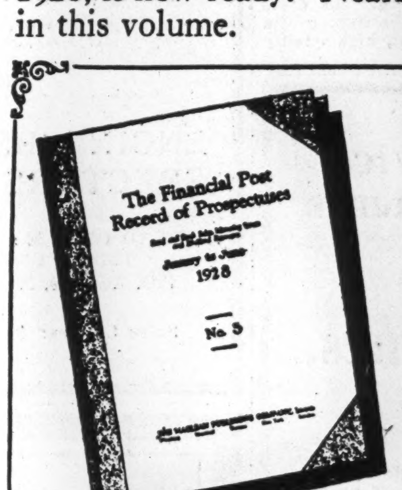
A Book that Becomes More Valuable with Age

— because it replaces scores of folders in the investment banker's files.

IN the first six months of this year practically 200 new issues of corporation, foreign and other major securities were offered in Canada. The volume of such financing was the greatest in the history of Canada.

It is difficult for financial houses, banks and investing institutions to maintain adequate files of the prospectuses of all such issues and yet such files are essential to a well-conducted business. Fortunately it is no longer necessary to keep extensive files. The Financial Post Record of Prospectuses, published every six months, brings the record up to date.

Volume 5 covering the period from January to June, 1928, is now ready. Nearly 200 prospectuses are published in this volume.



Built to Endure

Each copy is beautifully bound in red buckram with leather backs and corners. The permanent character of the binding and the high quality of paper used insure that as the years roll on and successive volumes of the Record of Prospectuses are placed side by side in your library, they will always remain neat and substantial. You will use them as much ten years from now as you use them to-day.

Each volume to-day costs you $7; a few years from now you will call them priceless.

Copies are available for immediate distribution.

Purchase Previous Volumes

Copies of all volumes from No. 1 to No. 5 are available.
Volume 1, January to June, 1926.
Volume 2, July to December, 1926.
Volume 3, January to June, 1927.
Volume 4, July to December, 1927.
Volume 5, January to June, 1928.
Seven dollars for each volume.
Use the coupon to order.

THE FINANCIAL POST,
143 University Ave., Toronto.

Send me......copies of the Record of Prospectuses, Volume 5.

Send me also the following copies of past volumes:

Number
......of Volume 1
......of Volume 2
......of Volume 3
......of Volume 4

I enclose $ ...... (or bill will be sent)

Name ....

Address ..........................F.P.

Pulp & Paper

PAPER INDUSTRY NOT YET PASSED THROUGH CRISIS

Advertising Falls Off This Year — Reducing Newsprint Demand

STILL MORE MACHINES

Will be Some Time Yet Before Advertisers Can Buy Greater Space

From Our Own Correspondent

MONTREAL. — While newsprint production in Canada, the United States and Newfoundland during the first half of the current year was 7 per cent. greater than during the first six months of 1927, a better idea of the newsprint market may be judged from the fact that periodical advertising in national publications in the United States for the first seven months of 1928 was 2 per cent. less than in the first seven months of 1927 and only 1 per cent. more than in 1926. Newspaper advertising in the United States in 30 leading cities for the first six months of this year was 4 per cent. less than in the same period of 1927 and 7 per cent. less than in 1926. Advertising has fallen off decidedly.

While there has been some increase in the amount of newsprint consumed in the States, yet, this increased consumption—such as it is—has been due to the increased circulation of some of the larger U. S. papers.

When all is said and done, it is not the volume of circulation that brings profits either to the publisher or to the newsprint mills, but it is the amount of advertising which the newspapers carry. On the amount of advertising depends the size of the newspaper. In other words, holders of Canadian newsprint securities can only hope for a betterment in the situation now surrounding the Canadian newsprint industry when, as and if business conditions in the States reach a point when a larger amount of white space will be used by those with commodities to sell.

It can be taken for granted that while the newsprint industry is sick, the crisis of the disease has not yet been reached. The reason being that new machines are being brought into production in this country without even a proportionate increase in demand in the United States.

True, to offset the increased capacities of the mills in Canada, some of the United States mills have turned over to the production of other grades of paper, but the demand for fine paper in the States is also somewhat stagnant due in part to the fact that periodical advertising has fallen off, and in part to the increased output of fine paper coming from machines formerly producing newsprint.

As far as can be seen at the moment, it will be many months before business conditions in the States will warrant any material increased use of space by advertisers. But still new machines are being added in this country.

Many newsprint men feel that the prices will not go much lower, but in view of the situation, namely that the production of newsprint is only equal to about 75 per cent. of the rated capacities of the mills on this continent, it is obvious that further price declines are at least a possibility which must be taken into consideration by those who hold or are considering holding newsprint stocks.

Something of the situation facing the Canadian newsprint industry may be obtained from the number of pages printed by United States newspapers. The number of pages printed in Sunday newspapers of over 100,000 circulation this year show a decline from 1928. The Newsprint Service Bureau of New York gives the following average figures for the month of June:

	Dailies	Sundays
1928	31	104
1927	30	108

Still Largest Port

MONTREAL.—Montreal retains her supremacy as the greatest grain shipping harbor in the world, according to Thomas A. Harvie, general manager of the Harbor Commission here. In the crop year ended July 31st, 1928, Montreal shipped 105,491,763 bushels of Canadian grain.

Ownership Changes of Don Valley Mill

From Our Own Correspondent

MONTREAL. — The Don Valley Paper Company, Toronto, has changed hands; the new proprietor is Norman E. Wainwright, of Toronto, who for some years has been on the sales staff of Provincial Paper. The Don Valley mill, owned by the Robert Davies estate, is one of the oldest plants in the province. The plant produces cover papers, bristols, sulphite and manila envelope and tag. The output is about ten tons daily.

SPRUCE FALLS GETS ALL ITS MACHINES

Dominion Engineering Has Completed and Delivered Four Machines

From Our Own Correspondent

MONTREAL.—The Dominion Engineering Works has completed and delivered the order which it received from the Spruce Falls Power and Paper Company for four newsprint machines. Two of the machines are already in operation at the Spruce Falls plant at Kapuskasing, Ont., and the remaining two will begin to operate shortly.

By 1929 the capacity of the plant will amount to 550 tons of newsprint daily, about half of which will go to the New York Times, which owns a half interest in the company. The plant at that time will also have a surplus sulphite capacity of 95 tons a day, which has been contracted for by the Kimberley Clark Company. It is understood that at the present time most of the requirements of the New York Times are being supplied by the Canada Power and Paper Corporation from its Laurentide mill.

Work Was Rushed

The completion of the newsprint mill and power plant of the Spruce Falls Power and Paper Company, Kapuskasing, Ont., has been accomplished in a little over two years. Three hundred houses have been built in the town which is modern in every respect and enjoying great prosperity. All the employees of the mill are well domiciled and looked after socially, physically and in every other way. A new club house is being carried forward to completion as well as a new hospital. It is expected that about forty more new houses will be put up this fall. The paper and power end of the vast undertaking at Kapuskasing and Smoky Falls, fifty miles away, and the generating plant at the latter point, have been finished by the contractors, who have carried out the development in record time. Two of the newsprint machines are now in operation and the third will be producing in a few days, while the fourth will be in commission by the end of the present month.

Again Publish Survey of Canadian Associations

The Department of Labor has just issued the Seventh Report on Organization in Industry, Commerce and the Professions for the Year 1928, a volume which conveys some idea of the extent to which organization has developed among those concerned with industrial and commercial activities in the Dominion. The report also contains much information in regard to associations whose members are engaged in professional, technical and scientific pursuits.

The report states that the first eight divisions contain the names of 394 main and branch associations, 45,744 members of which are persons or firms who are identified with industries in which many workers are employed. Some of the employers included in these groups have agreements with the corresponding organizations of work people covering the conditions of employment in their respective establishments. In the remaining eleven groups the employment of labor is in some cases only incidental, and with the exception of the retail merchants' section there is no corresponding body of organized employees.

Sees Rust Resisting Wheat For West in Three Years

Prospects for securing in two or three years' time a rust resistant, early maturing, high quality variety of wheat for Western Canada are good, declared L. H. Newman, Dominion cerealist, of Ottawa, on his arrival in Winnipeg recently, where he has gone to inspect the work accomplished by the laboratory staff at Winnipeg. Already there had been successfully bred a rust resistant variety of wheat in the laboratory here, said Mr. Newman, but it was lacking in gluten. The next two or three years would see further experiments with it to bring up the quality and at the same time retain the resistance already gained.

The new variety is named Marquillo. this year it is being crossed with Reward, and it is hoped that the cross breeding will result in the finding of a variety of rust resistant, high quality wheat.

ANOTHER MERGER IN FINER PAPERS FIELD IS COMING

Lincoln, Georgetown and Ritchie and Ramsay to Merge?

FORM NEW COMPANY

Shares of Three Companies Probably to be Exchanged for Alliance Paper Mills

From Our Own Correspondent

MONTREAL. — It is understood that, for the meantime at any rate, C. Howard Smith and Harold Crabtree, who recently purchased the Lincoln Paper Mills for their own account, will not carry out public financing to finance the deal.

The same interests have acquired the control also of Ritchie and Ramsay, the oldest coated paper mill in Canada and the Georgetown Coated Paper Company of Georgetown, Ontario.

Present plans call for the consolidation of these three companies into one organization. Plans for the merger are not well advanced, but it is thought that the recently incorporated Alliance Paper Mills will absorb the three fine paper producers. Probably the shares of the companies now controlled by the Smith-Crabtree interests will be exchanged for shares of the new company.

Money Is Too Tight

Two factors combine to make it improbable that financing by the new company will be undertaken for some time to come. First, the security market occupies a position at present which will not allow economical financing. Secondly, C. Howard Smith and Harold Crabtree in the recent sale and recapitalization of the Howard Smith Paper Mills have realized in part on their large holdings of the predecessor company and will not require money from the public until such time as the security markets permit cheaper financing than is possible at present.

With the entrance of the C. Howard Smith and Harold Crabtree into the Lincoln, Georgetown, and Ritchie and Ramsay pictures, the fine paper business in Canada now lies largely in the hands of three groups.

Two of these are the Provincial and Rolland companies and third is the Howard Smith group. The Canada Paper Company, a subsidiary of the Canada Power and Paper Company also operates in the fine paper field, but the management of this company is connected through interlocking directors with the Howard Smith Paper Mills.

Produces 65 Tons a Day

The total production of the three mills to be taken over by the Alliance Paper Mills amounts roughly to 65 tons of pulp and paper products daily. There appears to be no intention of linking up the new company with the Howard Smith Paper Mills, despite the association of C. Howard Smith and Harold Crabtree with the larger producer. The capitalization of the new Alliance Paper Mills consists of 30,000 cumulative preference shares with a par value of one hundred dollars each, and two hundred thousand common shares of no par value, providing, however, that the common shares, without nominal or par value, may be issued and allotted for such consideration as may from time to time be fixed by resolution of the board of directors of the company not exceeding five million dollars.

Runs Lincoln Mills

K. S. MACHLACHLAN.
general manager of Lincoln Pulp and Paper Mills at Merritton, Ont., reported to have been purchased by C. Howard Smith and Harold Crabtree of Montreal.

NO OFFICIAL NEWS OF PAPER TANGLE

Both Hearst and Newsprint Mills Have Not Suffered in Settlement

From Our Own Correspondent

MONTREAL.—All kinds of rumors are in circulation touching the settlement effected between the newsprint companies which formerly sold through the Canadian Newsprint Company and William Randolph Hearst. Nothing official has been given out and neither side will reveal the terms of the settlement.

Before the settlement was effected, Hearst had tied up some small New York bank accounts of the Canadian mills and the Canadian mills had retaliated by seizing Hearst's newsprint in Canada.

One rumor has it that as Hearst had nothing to lose by pressing his suit, the Canadian mills must have granted some important concessions to Hearst to induce him to discontinue his actions.

But, other gossip says that Hearst was forced to settle with the Canadian mills because the seizure of newsprint in Canada endangered the supply of his most important raw material.

Probably both points of view are incorrect and a solution was arrived at without either side suffering overmuch. It is said by those with a knowledge of the settlement that no transfer of money was involved other than an equalization of legal fees.

Abitibi-International Rumour Still Persists

From Our Own Correspondent

MONTREAL. — The rumor that some negotiations are in progress between International Paper and Abitibi still persists. It has been given an added filip because no official denial has been forthcoming. Indeed a senior official of the International Paper Company has refused to comment on the gossip which indicates that some form of pourparlers between the two large companies have taken place.

It is hard to reconcile the rumors of a possible merger of these two companies with the present price at which Abitibi shares change hands. If International were by any chance dickering to acquire Abitibi, in such a merger, Abitibi shares would at least have a value equal to those of International Paper. Yet Abitibi sells at 50 and pays $4 a year, whilst International sells at something over $65 and pays $2.40 a share per annum. In fact, many feel that intrinsically Abitibi stock is worth more than International.

Might Not Take Common

Of course, if such a gigantic transaction were ever consummated, an additional issue of International common stock to pay for Abitibi's shares would not necessarily be involved. Abitibi shareholders might receive their price in the form of other securities of International Paper.

Despite the gossip there are many reasons for believing that an Abitibi-International merger could not take place. Not the least of these would be perhaps the attitude of the governments of Ontario and Quebec which might view with disfavor such an attempt to consolidate still further an industry the control of which even now lies in hardly more than one or two hands.

Publish Brochure Showing Development of Aviation

The Canadian Air Express, Limited, of Toronto, has published a brochure entitled "The Eyes of Commerce," announcing the establishment of that company's aviation centre near Toronto.

The little booklet, in itself, is an encyclopaedia of the most useful information pertaining to matters aeronautical.

The pamphlet is illustrated with a number of half-tone cuts which depict the various builds of modern aeroplanes, monoplanes and biplanes of all sizes and makes—landplanes as well as seaplanes. Illustrations also show bird's-eye views of the City of Toronto and other large cities, besides various European airharbors, giving the reader an idea of the magnitude already reached in aerial transportation in the Old World.

Evans Succeeds Kneeland as Head of Elevator Chain

E. W. Kneeland, for 22 years general manager of the British America Elevator Co., Ltd., Winnipeg, has resigned his position and will be succeeded by Robert T. Evans, assistant general manager. Mr. Kneeland's position as president of the Winnipeg Grain Exchange will not be affected by the change. The British America company, which is controlled by F. H. Peavey & Co., Minneapolis, was formed in 1906 by Mr. Kneeland and Mr. Evans. Mr. Kneeland will continue to have an office in the Winnipeg Grain Exchange and will act in an advisory capacity. J. E. Dudley, former treasurer and office manager, will become assistant manager.

New International Co. to Have 3,000,000 h.p.

From Our Own Correspondent

MONTREAL.—The new International Paper and Power Company's power plants will develop over 1,500,000 horsepower. The total potential power resources of the new company with its power subsidiary, the New England Power Association, will amount to 3,000,000 horsepoker.

The figures of the International Power and Paper Company's power developments follow:

	H. P.
I. P. Co., Hydro-electric sites*	303,100
Do., Hydraulic sites	110,000
N. E. Power Assn., Hydro-electric*	229,500
Do., Steam	382,000
Developed or under construction	1,524,600
I. P. Co. undeveloped sites	1,476,400
	3,000,000

*Developed and under construction.

Calgary Albertan Plans to Build New Plant

Calgary Albertan is erecting a new plant. Breaking away from the conventional sky-scraper type of design the structure is to be only three storeys in height, though provision is made for the addition of another floor... that be deemed necessary at a... ture date. The building is to be... pied exclusively by the va... partments of the Albertan P... Co. It will cover ground space... uring 75 by 120 feet and will cost... completed, apart from all equi... approximately $200,000.

For Economy with Service Route Your Freight Shipments via
Canada Steamship Lines, LIMITED
Between Montreal Three Rivers Quebec — From Montreal, Toronto, Hamilton to Port Arthur, Fort William — Between Montreal, Toronto, Hamilton, Windsor, Detroit

Atlantic Sugar Refineries LIMITED
General Offices 211 McGILL STREET MONTREAL
Refineries - St. John, N.B.

BRITISH AMERICAN BANK NOTE COMPANY LIMITED
Steel Plate Engraving and Printing, Lithographing, etc.
Producers of Bank Notes, Bonds, Municipal Debentures, Stock Certificates, Interim Receipts, Cheques and all Documents of a Monetary Nature
Branch 11 Place d'Armes MONTREAL — Head Office OTTAWA Canada — Branch 1112 Bank of Hamilton Bldg. TORONTO

Penmans LIMITED
Manufacturers of High-Grade KNITTED UNDERWEAR, HOSIERY, AND OUTERWEAR
Mills at: PARIS, BRANTFORD, LONDON, WATERFORD and ALMONTE, ONTARIO; COATICOOK and ST. HYACINTHE, QUEBEC.
General Offices: Paris, Ont.
Selling Agents to Wholesale Trade: JOHN GORDON & SON, LIMITED, Toronto and Montreal
SALES OFFICES TO RETAIL TRADE Montreal Toronto Halifax
AGENTS John Wilson, Saint John, N. B. Bryce & Co., Ltd., Winnipeg and Vancouver.
EXPORT REPRESENTATIVES: S. Elliott & Co., St. John's, Nfld. H. W. Airey, Ltd., Auckland, N. Z. L. C. Carrick, Johannesburg, South Africa. Hugh Scott-Young, Melbourne, Australia. Liddell & Mitchell, Glasgow, Scotland. Taylor & Shelmerdine, Manchester, England. W. J. Cutcliffe, London, England. A. Lowry, Belfast, Ireland. J. & R. Wilson, Port-of-Spain, Trinidad. Lester W. Huddle, Kingston, Jamaica. H. P. Surrey, Shanghai, China.

DOMINION BRIDGE CO. LIMITED
Montreal, P.Q.
ENGINEERS, MANUFACTURERS and ERECTORS of STEEL STRUCTURES
HEAD OFFICE and WORKS: Lachine Locks, P.Q. P.O. Address, Montreal, P.Q. — BRANCH OFFICE and WORKS: Toronto, Ottawa and Winnipeg
Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

Red Deer brand birch FLOORING
The Product of The MUSKOKA WOOD MFG. CO., Ltd. HUNTSVILLE Ontario
Manufacturers of high grade Hardwood Flooring for residence, school and industrial work; Kiln Dried Hardwood Lumber; Hemlock Timbers.
Every bundle of Red Deer brand Birch bears the above trade mark —a guarantee that it is 99 to 100% perfect.

The SHERIDAN NURSERIES Limited
Offer CANADIAN GROWN Evergreens, Trees, Shrubs, Perennials, Alpines, Vines, Roses
4 St. Thomas St., Toronto 5
Nurseries 240 Acres CLARKSON, ONT.

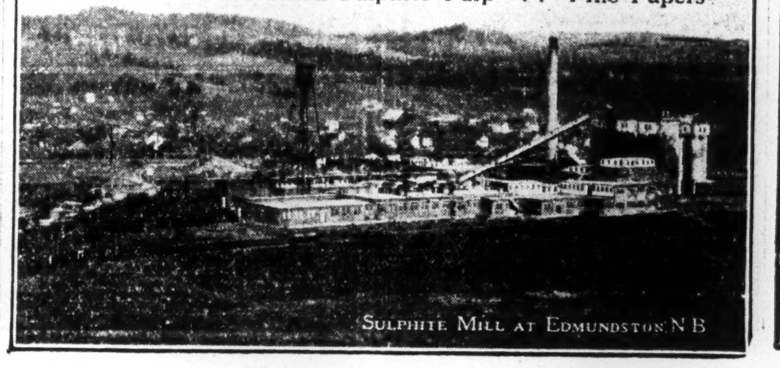
GEORGE F. HARDY
M. AM. SOC. C. E., M. AM. SOC. M. E., M. ENG. INST. CAN.
Mill Architect and Consulting Engineer
Paper, Pulp and Fibre Mills — 305 Broadway New York — Water Power Development

Oka Sand & Gravel Company LIMITED
BRICK CORE MOULDING — SAND — CONCRETE ASPHALT PLASTER
Washed River Sand and Gravel Rail and Truck Deliveries
Offices and Terminals: 248 McCord Street, MONTREAL, Que.

H. S. FERGUSON
Member Eng. Inst. Can.; Am. Soc. C.E.; Am. Soc. M.E.
Consulting Engineer
200 Fifth Avenue, New York City
Pulp and Paper Mills — Power Developments

Abitibi Power & Paper Company Limited
MONTREAL, QUE.
Owning and operating mills at
Murray Bay, Que. Beaupre, Que. Sturgeon Falls, Ont. Espanola, Ont. Sault Ste. Marie, Ont. Iroquois Falls, Ont. Smooth Rock Falls, Ont. Fort William, Ont. Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

FRASER COMPANIES LIMITED
EDMUNDSTON, N.B.
Lumber :-: Bleached Sulphite Pulp :-: Fine Papers



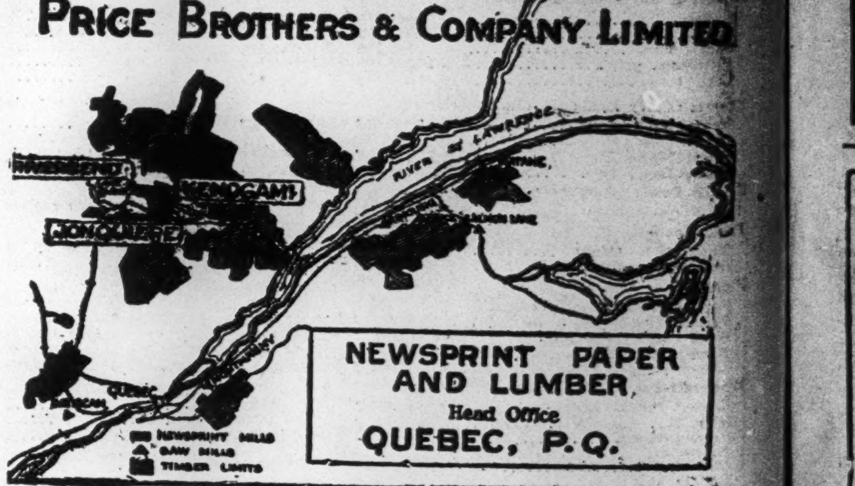
The Uses of Paperboard
PAPERBOARD SIGNS
These are finding increasingly wider use, lending themselves to effective light-in-weight and economical display.
Manufacturing all Grades of Paperboard
CANADIAN PAPERBOARD COMPANY, LTD.
Largest Manufacturers of Paperboard in Canada
HEAD OFFICE—2 Seigneurs Street—MONTREAL

The Wabasso Cotton Company, Limited Three Rivers, Que.
WABASSO COTTONS enjoy the unstinted approval of discriminating women all over Canada. They find them best for undergarments, dresses, rompers, sheetings, etc., because they stand up stoutly to the most strenuous wear, yet retain their original beauty.
The Wabasso Trade Mark is a guarantee of highest quality cotton fabrics.
Wabasso Cottons are Canada's best

BATHURST
BATHURST COMPANY LIMITED
Groundwood—Sulphite Kraft—Newsprint—Lumber
BATHURST, NEW BRUNSWICK

The Canada Power & Paper Corporation
Total Daily Capacity of Plants: 1250 Tons of Newsprint
Also producing fine and kraft papers, paperboard, paper boxes, paper bags, paper specialties, and sulphite, kraft and groundwood pulps.
Successor and Operating Company of:
Belgo-Canadian Paper Company Limited
Laurentide Company Limited
St. Maurice Paper Company Limited
Canada Paper Company
Head Office: MONTREAL-QUEBEC

PRICE BROTHERS & COMPANY LIMITED



NEWSPRINT PAPER AND LUMBER
Head Office QUEBEC, P.Q.

PORT ALFRED PULP & PAPER CORPORATION
Newsprint and Sulphite Pulp
HEAD OFFICE: CANADA CEMENT COMPANY BUILDING MONTREAL, P.Q.
Mills at PORT ALFRED, P. Q.

Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

Brewers & Distillers

Are the shares of Brewers and Distillers worth holding?

Unfortunately, little real information is obtainable on Brewers and Distillers of Vancouver. As a hold for a business man, the stock seems to look attractive.

International Utilities

I hold International Utilities "A" shares. Shall I continue to hold the stock? I have several other stronger stocks and bonds.

International Utilities "A" is a more or less speculative stock, but it gives you a very satisfactory yield and, we believe, might well be retained on this basis.

Dominion Bridge

Since Dominion Bridge shares have declined, they look to me to be quite an interesting purchase. Do you concur in this view?

Dominion Bridge is an out and out business man's stock. Yet, due to the intense constructional activity which has prevailed and is likely to prevail for some time to come in the Dominion, we feel that such a speculation is quite attractive.

Dom. Envelopes (Western)

Please give me your opinion of Dominion Envelopes & Cartons (Western)?

Dominion Envelopes and Cartons (Western), Limited, appears to us as a good investment for a business man. The products of this company are fairly bulky, and consequently the organization of the company to manufacture in the Canadian West is an advantage in that transportation expenses will be reduced materially. The Eastern company, which will control Dominion Envelopes and Cartons Western, Limited, has been established for a number of years, and has achieved material success. In the circumstances, and in view of the fact that the Canadian West is prospering, the outlook for the Western company is good, in our opinion.

Not the least favorable factor in connection with the issue of first preferred stock is the fact that the offering is made by a sound investment house.

Brompton Pulp

As Brompton has its output sold over a long term, I think that it now looks like a jolly interesting purchase. Is this reasoning sound? How do you regard the shares since the market decline?

True, Brompton has contracted for the sale of its output, but should there be any further decline in the price of newsprint paper, Brompton's output, we believe, would be sold at lower figures.

In other words, the company's newsprint contracts have probably been drawn up on a basis whereby Brompton obtains a figure somewhere near current market quotations. Hence, the future outlook for the company, like the other pulp and paper companies, depends largely on the prevailing market quotations for newsprint.

The outlook for the newsprint industry as a whole is most unsatisfactory at the present time. The industry is in the doldrums and likely to remain so for some time to come. Newsprint prices, though, may be maintained. On the other hand, you can see with the over expansion of the industry there is undoubtedly a chance of still further price cuts.

Hence, we feel that Brompton common can only be regarded as a gamble—as a gamble though, it is not without attractions, especially if held for a few years.

Perhaps the most interesting thing about the stock is that one of the largest investment houses in Canada holds, we understand, about one-third of the stock which it bought at $50 a share. The investment house is in close contact with the company. Obviously they feel that Brompton stock is well worth $50 a share. This is one of the reasons why we feel the stock is a good gamble for a business man. But it cannot be regarded as an investment.

Crown Cork

Are the common shares of Crown Cork a sensible investment?

The common stock of Crown Cork and Seal Company looks like an interesting long hold for a business man. This company practically has a monopoly on this type of business in Canada and has two modernized plants located in Montreal and Toronto to serve the trade.

Earnings have been consistently good and while the stock is not listed on any Canadian exchange, there should be a fair demand for it.

Securities Acceptance Corp.

Will you kindly favor me with a report on the Securities Acceptance Corp.?

The Securities Acceptance Corporation, Limited, is an investment trust which apears to be well organized along lines of sound financing with regulations regarding type of securities to be purchased much in line with the English procedure. So far to date it has successfully operated, paying regular dividends of ten per cent., as organized under the Ontario Companies' Act in 1924, with the same name, and latterly under Dominion charter.

Its securities are, of course, in the speculative class; the company appears to be well managed and profits to date have been substantial.

Investment Stocks

I already hold some of all the sound Canadian investment stocks. I am looking for investment only. Should I now turn to bonds or be satisfied with some of the more speculative stocks? I already hold sufficient bonds to give me the necessary margin of safety in my investment programme.

Why not consider some of the real outstanding sound investment stocks listed on the New York, market? These include New York Central Lines, Consolidated Gas, American Tel. and Tel., and some of the other stocks of leading industries such as the U.S. Steel Corporation. Unfortunately, we are not in a position to give you an informed opinion on United States stocks as we have not that personal contact with the executives of these companies which enables us to give a really informed opinion on their future. You might get a reliable broker to suggest a few of these really outstanding stocks to you, and then confirm his opinion from other sources.

Inter. Proprietaries

Would you advise the purchase "International Proprietaries" at about 40? Also advise if these are preferred or common shares and if you consider there will be any marked appreciation in value of these shares during the next year?

Is it the intention of the new company to place these shares on the market through the New York or Montreal exchanges?

International Proprietaries at $40 a share must be considered as an unseasoned stock. There probably is a considerable block of it still to be distributed among investors, and the price hardly can appreciate until that has been achieved. For the same reason the underwriters probably will not list this stock for some months. The listing then will probably be on the Toronto Stock Exchange. The "A" stock is preferred in some respects, including dividends.

We understand that the earnings of the company are satisfactory, and showing growth, but we regard the stock as a long hold proposition at the present time.

Great Lakes Paper

How will the present uncertainty in the newsprint market affect the Great Lakes Pulp Co.? Would you recommend the purchase of this company's bonds?

Great Lakes Paper Company is one of the Backus-Brooks Companies operating plants in the west. While the newsprint situation in the east is not entirely satisfactory at present, we do not think the Great Lakes Paper Company would experience the same difficulty in marketing its output owing to the fact that it would ship its output to the middle Western States and Western Canada.

Wants Speculation

Name for me, please, two or three stocks which are interesting speculations. I can afford to buy into such stocks at the present time.

In the more speculative common stocks which look attractive we would include General Steel Wares. As a business man's hold for a year, this issue appeals to us as there is no doubt that the merger resulting in General Steel Wares has proved a success. Earnings are very satisfactory.

Canadian Vickers common is another speculation which has attractions. As a long hold, Foreign Power Securities looks as if it would do well.

Canadian Brewing

I bought Canadian Brewing at 28. The stock has not acted particularly well. Should I sell out?

Even with the drastic market declines which have taken place during the last three weeks, your stock is still selling at the price which you paid for it. Hence, we are inclined to believe that it is a hold. There is little hope of immediate market appreciation in any securities due to the tight money situation, but if all goes well within twelve months the market should again be stronger. Hence we feel that Canadian Brewing is an interesting hold for a business man. The company, we understand, is obtaining satisfactory results in its operations and is making satisfactory profits.

Windsor Court Bonds

I have been asked to invest in some Windsor Court Apartment bonds. The price seems right and the security seems very good. What do you think about them? Would you advise me to purchase them as a good investment?

Bonds of the Windsor Court Apartment, Limited, appear to be well secured, the six per cent. first mortgage 15-year issue of $400,000 gold bonds representing 57 per cent. of the appraised value of the property.

Net income after allowing for 10 per cent. annual vacancies is estimated at three times the first mortgage bond interest.

The building is well located and there should be little difficulty in earning bond interest even at hard times.

Thayers Limited

Can you give me any information as to the financial standing and prospects of the new Oil Company which has recently been formed under the name of "Thayers Limited"? This stock has not as yet been listed, but I understand is expected to be put on the market in the near future.

Thayers, Limited is engaged extensively in the gasoline and oil distributing business and operates a substantial chain of gasoline stations along No. 2 and No. 3 Provincial Highways leading from the Canadian Border Cities through to Montreal. The company is a consolidation of several smaller companies which have had a successful operating history; and since the consolidation, 50 new stations have been installed at various points along the highways.

The company is actually employing chain store merchandising methods for the sale of gasoline and oil; and inasmuch as its stations are located on main highways used by tourists it has a good chance of success.

This security, however, must be regarded as quite speculative until such time as a definite history of regular earnings has been established.

Canadian Celanese

I have quite a loss on my common stock holdings of Canadian Celanese. Should I sell out or should I switch into preferred which I see has also declined? What is the matter with this company? Why did they offer more stock earlier in the year without allowing the patient shareholders to participate in the new offering?

Canadian Celanese has done no financing other than the original offer of stock two years ago. You are confusing the Canadian company with the American and the British companies which both offered new stock to their shareholders.

In our estimation, the preferred of Canadian Celanese always looked the much more attractive gamble of the two classes of stock because the preferred is participating in the profits.

Hence, a switch into the preferred stock might be a wise move despite the fact that you have to take some loss. The preferred is now quoted around 80 and the common about 52.

Recently we learned that the Canadian Celanese encountered some difficulties—but these difficulties were probably no greater than those encountered by any other industrial organization during its initial period of operation. The most recent information that we have on the company indicates that it is improving its position.

Both the preferred stock and the common have always been regarded as speculations. We feel that if you are willing to gamble, you might put the common shares away for two or three years; at the end of that time you certainly stand a good chance of obtaining a price for your stock which will show you no loss. However, the switch into preferred we believe would strengthen your investment position and perhaps bring you as large a profit eventually. Both preferred and common are only long hold speculations.

Dominion Woollens

Will you kindly tell me what you think of a recent issue offered by W. A. MacKenzie & Co., called Dominion Woollens and Worsted Ltd., also the significance of the clause, "Legal Investment for Life Insurance Companies under the Insurance Act, 1917, Canada"?

The recent issue of Dominion Woollens and Worsted, Limited, has many strong points in its favor, including the fact that the bonds represent less than 40 per cent. of the depreciated valuation of the assets, and that average earnings for some years past have been around three times bond interest.

Several prominent and successful people are interested in this company, and the bonds should be a good investment.

The term legal investment for life insurance company means that certain requirements are fulfilled by the bonds permitting life insurance companies to invest their funds therein.

Wright Motors Again

As a holder of Wright Flexible Axle Motors I have been approached to subscribe for more stock. Would this be wise? What of the investment trust stock which is associated with Wright Flexible?

In our estimation, you would indeed be unwise to subscribe to more stock of the Wright Flexible Axle Motors or the stock of the investment company controlling this project.

From time to time in The Post we have pointed out that the Wright Flexible Axle Motors has probably no chance in the world of competing with the long-established and financially strong motor car industry.

We believe that the stock was largely sold to labor men—members of the various unions—who, when all is said and done have little opportunity of judging security values on a comparative basis. And it is only on a comparative basis that the merits of securities may be judged.

Loblaw Preferred

Please tell me why Loblaw's preferred is quoted at 135?

Loblaw preferred stock at 135 yields 5.18 per cent. It is entitled to sell at this price on its merit as an investment stock in a company in an essential industry.

There is a speculative element in this stock which at times has sent the price much higher than the dividend possibilities would warrant. This higher price has been occasioned by the belief, rightly or wrongly, that the company is compelled to purchase a certain amount of stock in the open market every year. The stock has no redeemable price and holders of it apparently may be able to exact a much higher price from the company on redemption than the dividend payment would warrant. The company may have been advised by counsel that it must set aside preferred stock sinking fund, but does not necessarily have to purchase the stock. There are contrary opinions.

Smelters vs. Brazilian

As a subscriber to your paper I would like to have your opinion in regard to the purchase of Consolidated Smelters as against Brazilian Traction.

In other words, which of the following purchases would, in your opinion, bring the best results?

20 shares Consolidated Smelters at $253—or 100 shares Brazilian at $53.

We do not know. A utility company's earnings are limited to the extent of the development of the territory it serves. A mining company's earnings are limited only by its success in locating and developing new ore properties. Consolidated Smelters may earn vastly greater sums than Brazilian Traction, but on the other hand, Brazilian Traction is more certain to earn something than Consolidated Smelters is certain to earn much. When Brazilian advances one point you have made nearly two per cent. on your investment. Smelters, on the other hand, must advance five points before you have made two per cent. on your investment. Another slight advantage in favor of Brazilian is that on an advance you might more readily sell a quarter or half of your holdings whereas with Smelters your total investment would be less than a board lot and an odd lot is not so readily marketed.

On the whole we would say that both stocks are highly attractive in their respective fields, but we doubt if any person is in a position to predict successfully which stock will go ahead the more rapidly.

His First $500

One of my customers who has $500 to invest, has set his eyes on Borden Milk. At the actual market price, he could get three shares, that would bring him $36 a year, we understand. This is his first investment. Would you think advisable to recommend him this investment?

We have not that contact with American financial men which enables us to give considered opinions on United States stocks. The Borden Company, of course, is well known as one of the leading companies in the dairy industry.

Yet, we wonder if your client would be well advised to buy such a stock as this with his first $500 for investment. He will be able to buy only three shares, which is an odd lot on the New York market, and for which he probably will have to pay more than the market price. It is much easier to buy in board lots or, in the Canadian market to buy in fives, tens, fifteens, twenty or twenty-five shares. If your client is desirous of obtaining a sound preferred stock which gives him a good yield, we think that he might be interested in the first preferred stock of Canadian Canners. This stock is now selling at about 94 which would give him a yield of about 6.3 per cent. on an investment of approximately $470.

Persons beginning as investors normally should be urged to put their first $500 into high-grade bonds which usually can be obtained in denominations of $100 and $500. In some cases, however, where the purchaser intends to pay outright for his securities he may be well advised to buy a sound food stock, such as we have mentioned.

City Dairy preferred is an excellent stock, and in the same business in Canada as the Borden Company in the United States. However, your client would be able to buy only four shares of this stock for $500. The current price is $130.

If he purchases a sound stock costing a little more than the amount of cash which he has on hand your bank probably would not be adverse to loaning him the difference with such a good stock as City Dairy as collateral.

If your client is looking for material appreciation in the value of his first investment he would advisedly ignore the factor of income. In that event he could buy no sounder common stock in the foodstuff industry than City Dairy common, which currently is selling around 56 and of which he could obtain ten shares for about $565, including commission. He would merely need to anticipate his savings slightly in order to finance such a purchase through your bank or through a stock broker.

Dist. Corp.-Seagram's

I am the holder of 80 common shares Seagrams Distilleries, Ltd., and would like your opinion as to the future outlook of this stock. I have been greatly disappointed the way this stock has dropped from 24½ to the present low price.

Any information you can give me will be appreciated.

It probably will be a long time before Distillers' Corporation-Seagrams, Limited, becomes a profitable Canadian company. The current weakness in the shares, in our opinion, is due to two causes:

1. The general weakness in the stock markets.

2. The fact that liquor stocks have been subjected to pressure and have been more than ordinarily susceptible owing to the publicity given to efforts of the Ontario government to restrict, or at least control, the exports of liquor from Ontario to the United States.

Distillers' Corporation-Seagrams, Limited, in our opinion, is an extremely long hold.

Manufacturers Finance

I am a shareholder of the Manufacturers Finance Corporation. I heard the company is in liquidation. I heard also it is not carrying any insurance for the stock. Will you please send me all the information you know about it, including if there is insurance or not? Two months ago the company showed a pretty clean sheet at their meeting.

Regarding Manufacturers Finance Corporation, the situation here is quite serious; and there is considerable doubt that the shareholders will receive anything when the business is completely wound up. While no official figures are available at the present time regarding the assets and liabilities of the company, it is now known that there will be considerable difficulty in realizing upon the major part of the assets; that is the notes on piano and musical instrument sales which manufacturers discounted, inasmuch as the chief endorsers of same, certain piano companies, are also in liquidation.

There is the question, however, of the guarantee on the notes said to have been placed with certain insurance companies, and the ability to collect same. Upon this doubtful feature depends largely whether even the bond holders will receive dollar lar for dollar.

A meeting of the shareholders, bond holders and creditors has been called by the official referee, Charles Garrow to meet in his chambers at Osgoode Hall, Toronto, on September 18 next. At this meeting the findings of the liquidators up to that time will be presented and also their valuation as to the assets of subsidiary companies in addition to the valuation of the assets of Manufacturers Finance itself.

Abitibi Power

I am thinking of purchasing Abitibi common. What do you think of such a buy? Why has the stock declined more than International Paper? Which do you consider the best newsprint stock? Is Abitibi well managed?

There are, apparently, two reasons why Abitibi shares have declined more than those of International Paper. First, International Paper's revenues are now largely derived from the sales of power. About half the company's profits come from its power resources. Second, it is said that there is a strong pool in New York operating in the common shares. This has prevented their decline.

As a hold for three or four years, Abitibi at present prices looks like an interesting business man's speculation. However, in any consideration of such a purchase you must remember that the newsprint industry is in the doldrums and is likely to remain so for some years to come. Furthermore, three or four years hence, new factors might enter into the situation tending to retard the ultimate progress of the industry.

In the newsprint industry, the three outstanding and most interesting stocks to us appear to be Abitibi, Price Bros. and International Paper.

All in all, you can see that the purchase of Abitibi at the present time is a gamble. The company is ably administered. On such a gamble, it seems to us you stand a good chance of success over a term of years. At present prices you do not stand much chance of making a serious loss—provided you do not invest too heavily in the company. You must recognize the fact though that in buying into Abitibi you are buying into an industry in a depressed condition. Moreover, the position of the industry will probably be worse before it improves.

When Women Invest

Investment Trust Appears Safe Place For Funds of Person With Background of Government Bonds; Medicine Hat Implement Factory is Not Attractive! Quinte and Trent.

A WEEKLY FEATURE

QUINTE & TRENT BONDS

I am a widow entirely dependent on the income from my investments, among which I hold some of the bonds of the Quinte and Trent Valley Power Company. Should I retain these bonds?

We believe that the Quinte and Trent Valley Power bonds are more of an investment for a business man than a widow who is dependent entirely on her investments. No doubt, you are obtaining a very satisfactory return on this issue. However, perhaps you can afford to retain these bonds, for in our estimation the company will continue to earn its fixed charges and dividend requirements year by year. It is a small company, though, and in part dependent on the operations of the Canadian Paperboard for the sale of its power. The Canadian Paperboard is, of course, the parent organization. It has had a successful career.

It operates under an able management. Whether you should retain the bonds depends on the extent and diversification of your holdings.

NOT CONSERVATIVE ENOUGH

Some years ago a friend of mine bought 250 shares of the common stock of the Can. Farm Implement Co. at $2 per share. Of late officials of the company have tried unsuccessfully to have her invest more either in common or by way of their conversion plan (to 8 per cent. cumulative preferred). As quite a number of local people invested in this company, will you be kind enough to give your valued opinion of the company, and the plan of conversion, through your investors' inquiry page?

What your friend is being asked to do is to pay 50 cents on the dollar for preferred stock in the Canadian Farm Implement Co. In other words, she is being asked to subscribe for new preferred stock at par, and in consideration for this she is given the privilege of converting common stock into preferred fully paid. The company appears to be creating a liability without having received value therefor. This does not appeal as good business.

Not Conservative at All

The Canadian Farm Implement Co. never was, in our opinion, a proper investment for a woman. In fact, it always has been so extremely speculative that probably no person should have put any money into it for business reasons. It may have been worth while for persons interested in the industrial development of the Canadian West to have invested in an enterprise of this kind.

The two balance sheets which you have sent to us do not reveal that the company improved its position between March 31, 1925, and December 31, 1927. In fact, the deficit has been increased. The patent rights, benefits of contracts, etc., are an item which would be valuable only to a company making substantial progress. We observe, also, that the balance sheet for the later period does not include the certificates of the auditors. We are wondering if this omission was unintentional.

Future Seems Dubious

We do not believe that we would recommend putting any more money into this enterprise. Of course, the investment would give the holder preference stock which would be preferred as to assets in the event of winding up the company. But if the company were to be wound up, many of the items under fixed assets would be found to have little realizable value. We refer to patent rights, foreign patent rights, grain cleaner rights, grain cleaner patterns, drawings, etc. The foundry equipment in the event of winding up probably could not be sold to advantage, and even the factory buildings, if forced on the market, probably could not bring anything like the price at which they are now valued by the company.

Companies manufacturing machinery of any kind, whether it be farm implements or machinery not identified in any way with agricultural industry, are in a keenly competitive field, and a new enterprise competing with large established companies is certain to meet serious obstacles.

INVESTMENT TRUST

Kindly tell me what you think of the Second Canadian General Investment Trust as an investment for a woman. I have been buying municipal and government bonds. Is this in the same class of investment?

We are of the opinion that shares of the Second Canadian General Investment Trust, Limited, are a safe investment. This company is managed by the same group which a year or two ago organized the first Canadian General Investment Trust. That company has been successful and there is no reason to believe that the second trust under the same direction and with similar restrictions should not do quite as well over a term of years.

If you have a background of municipal and government bonds there seems no reason why you should not buy stock in such an enterprise as Second Canadian General Investment Trust.

Should Be Safe

An investment trust nominally cannot be considered so safe an avenue of investment as sound municipal and government bonds, but it may be actually as safe. At least half of the investment funds of the Second Canadian General Investment Trust must be invested in the soundest securities, and there are restrictions concerning the investment of the balance of the stock which would tend to prevent loss to the investment trust in the event of violent and prolonged reaction in the stock market. The dividends are restricted also until such time as the company has a reserve which will form a cushion against market reaction.

Investment trusts long have been successful in Great Britain, especially in Scotland. Their history in Canada is brief, but in so far as they are conducted along the sound lines established in Great Britain, it would seem that investments in these Canadian companies must be more than ordinarily safe. The investment is especially attractive to a person who is not in a position to study market conditions or who has not sufficient funds to enable him or her to buy a sufficient number of sound bonds and stocks to secure a proper degree of diversification.

One attraction in these shares over government or municipal bonds is that the yield should increase from year to year as the investments of the investment trust appreciates in value.

C.N.R. Halifax Hotel Has Awarded Contracts

From Our Own Correspondent

MONTREAL.—The Foundation Jupiter Company, a subsidiary of the Foundation Company of Canada, has secured the contract to construct the new Canadian National Railway Station and Hotel in Halifax. The contract for the steel work for the structure has been awarded to the Dominion Bridge Company. The C.N.R. has already completed the foundation work on the property.

Halifax's second new hotel is to be called the Nova Scotia. It will occupy a space of about 220 by 130 feet. The building will be of stone and steel construction, fireproof throughout. The new station building will adjoin the hotel and will be 180 feet long by 100 feet wide.

Greenshields & Co.

Founded 1910

Dealers in Canadian Bond Issues

Members Montreal Stock Exchange

The Greenshields Catalogue and the Greenshields Review will be supplied on request

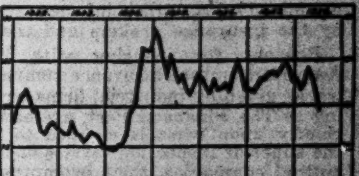
17 St. John St., Montreal
also Mount Royal Hotel Building

TORONTO 24 King St. W. OTTAWA 56 Sparks St.
QUEBEC 80 St. Peter Street

Tight Money; Low Wheat May Halt Business Rise

Bank of Nova Scotia points to the danger that the purchasing power of the Western farmer may be less than last year, despite the large crop. It says: "While recognizing that conditions at present are excellent, it may be that the summer of 1928 will represent, for the time being, a peak in Canadian industrial activity. Until the Western farmer obtains more profitable prices for his grain, and the credit situation is adjusted, it is not unnatural to suppose that a pause will occur, while the ground is prepared for the next move forward."

Discussing the decline in purchasing



power of wheat the bank says: "Two points may here be stressed: (a) the present and prospective supplies of wheat in the Canadian market will create an unusually large demand for credit within the next few months. (b) The fall in the purchasing power of the bushel of wheat has been more than in proportion to the growth in the crop volume, with the result that (unless the price of wheat recovers within the next few months, a factor not to be depended upon) the demand of the Western wheat farmer for the products of other Canadian industries, while still large, may be somewhat less this season than last season.

"Because of the great expansion that has occurred in business generally, and because of the prospective requirements for crop moving purposes, the loanable funds of the banks will be very fully employed. While there are ample funds for the legitimate needs of business, requests for credits for speculative purposes are being frowned upon. The reaction of this upon the stock market is already visible. In Canada, as in the United States, "tight money" has halted over-confidence, and for some months ahead there is little prospect of change in credit conditions."

The chart herewith reflects the trend of the purchasing power of wheat.

N. S. GROWS FORESTS

HALIFAX.—The provincial government has arranged to have the Boy Scouts undertake the re-foresting of 1,000 acres of land in the Bear River area, Digby county. A similar program was carried out on a smaller scale in the Waverly district, Halifax county, last year.

Investing out of Income

We extend to our clients who desire it the convenience of instalment payments for securities underwritten and offered by this Corporation.

Royal Securities Corporation
LIMITED
244 St. James Street, Montreal

Toronto Halifax Saint John Quebec Winnipeg Vancouver
New York Charlottetown Ottawa Hamilton Calgary
Edmonton Regina Victoria St. John's, Nfld. London, Eng.
K-11

OSLER & HAMMOND

F. G. OSLER
H. F. MARRIOTT
G. T. CHISHOLM
H. FRANKS

Stock Brokers and Financial Agents

Members *Toronto Stock Exchange*, *Montreal Stock Exchange*, *Montreal Curb Market*, *New York Curb Market (Associate)*

GOVERNMENT, MUNICIPAL AND INDUSTRIAL SECURITIES

21 Jordan Street TORONTO
145 St. James St. MONTREAL

FRANK J. SMITH, *Manager Montreal Office*
Telephone: HArbour 5282

MARA & McCARTHY

Members: Toronto Stock Exchange, Montreal Curb Market, New York Curb Market (Associate)

STOCK BROKERS

W. HAROLD MARA
LEIGH M. McCARTHY
H. G. DAVIDSON
JOHN A. MARA

297 Bay Street, Toronto

The
Willison Neely Corporation
Limited

DEALERS IN

Canadian Government, Municipal and "Dollar for Dollar" Bonds

CANADIAN PACIFIC BUILDING
MONTREAL LONDON HAMILTON TORONTO OTTAWA

James Richardson & Sons

Investment Bankers

Stocks and Bonds

Private Wire Connections throughout Canada and the U.S.A.

Members

MONTREAL STOCK EXCHANGE
MONTREAL CURB MARKET

Brandon Edmonton Winnipeg Moose Jaw Saskatoon

Wood, Gundy & Company
Limited

Dealers in High Grade Securities in all markets

Royal Financial Corporation
LIMITED

INVESTMENT BANKERS

840 Hastings Street West
VANCOUVER, B.C.

723 Fort Street
VICTORIA, B.C.

291 Garry Street
WINNIPEG, MAN.

Canada Life Building
CALGARY, ALTA.

Imperial Bank Annex
EDMONTON, ALTA.

A purely Western Canadian organization confining its activities solely to the buying and selling of investment securities.

Industry Resents Bludgeon Tactics of Insurance Body

Canadian Manufacturers Take Offence at Attempted Boycott of Mutual Insurers, Instituted by Toronto Insurance Brokers and Agents

TELL EXPERIENCE WITH MUTUAL GROUPS

Most of Them Declare They Buy Mutual Insurance Because It Saves Them Money and Gives Them Best Excellent Inspection Service in Their Plants — Post's Fight on Crude Methods Gains Praise

That the recent attempted boycott of mutual insurers, instituted by the Toronto Insurance Conference, has lost many friends for joint-stock, tariff insurance companies is fully apparent from letters that have been received by The Financial Post from numerous leading industrial firms in Canada.

These firms, who insure all or part of their plants in the New England mutuals or other mutual insurance companies, are almost unanimous in expressing their displeasure at the action of the Toronto association of fire and casualty insurance brokers.

In writing to express entire agreement with The Financial Post's stand for fair competition and fair honest business methods in the insurance business some of these firms reveal that the action of the Toronto Insurance Conference has in many cases prejudiced them against any further dealings with tariff insurance companies, while other firms tell of other examples of arbitrary action by insurance companies or associations that they consider unreasonable and unfair.

Boycott Not Yet Officially Called Off

While it is quite apparent that the action of the Toronto Insurance Conference has brought the whole business of tariff fire insurance into disrepute — and this very much against the interests of well-managed tariff fire insurance companies that do not themselves countenance "boycotts" and other high pressure methods of selling insurance — The Financial Post has been able to obtain no evidence that the Toronto Insurance Conference has called off its recent boycott or circularized its members asking them to ignore previous communications.

In these previous circulars, members were given a list of large firms purchasing mutual insurance. The suggestion was made in terms that permitted of no other interpretation that such firms should be boycotted by the insurance brokers and their employees and families.

Reasons for insuring with the American mutual insurance companies, as given by industrial firms writing to The Financial Post, are based chiefly upon what is claimed to be the superior inspection service of the mutual companies, their promptness in settlement of claims, considerable savings in rates and resentment against arbitrary actions of tariff insurance companies.

No Cause for Patriotism

One of the most widely known manufacturing firms in Canada states it carries some $800,000 of insurance in mutual companies. This is the insurance on the main plant. In addition some $750,000 of insurance is carried with the Canadian tariff companies. This is insurance on other plants and a much higher rate is paid although the risk is little, if at all, different. This company states that it is not carrying the insurance on the outside plants for any patriotic reason. "The attitude of the Canadian underwriters," they say, "is rather too arbitrary to warrant consideration from a sentimental or patriotic standpoint." Consideration for local insurance agents has been the deciding factor.

This company tells of an experience some friends of their's recently had. They endeavored to get a lower rate from the Canadian tariff companies and were refused. They then switched to the American mutuals and the Canadian companies at once countered with an offer of a twenty per cent. reduction. "Our contention is that if they are now entitled to a 20 per cent. reduction they have been overcharged for some years," says this manufacturer, who adds, "I rather feel that the competition of these mutual companies is necessary to keep the Canadian underwriters in line."

Blames Tariff Companies

The managing director of another large manufacturing plant in Western Ontario, subsidiary of an American firm with a world-wide reputation, writes:

"My own personal opinion is that the tariff companies have themselves to blame for the competition of the mutual companies. I know that years ago, our rates were increased and increased to the point where we felt there was nothing else for us to do but to make the alterations and installations required by the mutual insurance companies and to insure through them. After these changes were made and we had been in the mutuals for several years the tariff companies were quite ready to talk business to us along the lines that they previously would not consider. We felt that we had been treated so fairly by the mutuals and their inspection service had been so valuable to us that we stayed right where we were. We felt, moreover, that we would not be safe in placing all our insurance with the tariff companies."

This executive points out that while his company is a subsidiary of an American corporation their switch to American mutual insurance was made while the Canadian plant was still an independent Canadian company.

Has Saved Over $150,000

Another Western Ontario manufacturer tells why he has always turned a deaf ear to proposals that he should purchase "Made-in-Canada" insurance. The chief reason is that he has saved between $150,000 and $200,000 in many years of insuring with mutual companies. He considers that there is no stock company in Canada that can duplicate the rates and service of the New England mutuals.

"Every three months," he says, "we have a thorough inspection by an expert, and in the forty-five years that we have been in business our loss by fire has been less than $2,000, and our savings in premiums somewhere in the neighborhood of $150,000 and $200,000. Therefore, we are not at all partial to changing any of our insurance and we feel that The Financial Post has taken the proper step in the articles it has written."

Likes Inspection Service

A Hamilton steel company states it saves about $1,000 a year by insuring in the mutual companies. It also carries some insurance with tariff companies. "Our experience with the mutual companies has been of the best," they say, "and any small losses we have had have been settled without question. Their inspection service is of the highest type."

One Eastern Ontario manufacturer, who inclines to the view that the boycott does not amount to anything, says, "We have dealt with the mutual companies for a great many years but have had no dealings whatever with the tariff companies and therefore do not know the difference in rates. Our dealings with the mutual companies have always been very satisfactory and their inspectors are always courteous and do not ask anything unreasonable. In fact, their suggestions are frequently helpful."

Resents Crude Methods

Another manufacturer rather strongly remarks that "the idea of the Toronto Insurance Conference that they can use such crude methods, particularly when they are dealing with the wide-awake business section of the community, is rather pathetic in this day and age. We wish The Financial Post every success in the stand it has taken for fair business methods."

This manufacturer gives his experience with the mutual insurance companies as follows:

"Up until the time we changed over to the New England mutuals we were carrying $105,000 at a net annual rate of $277.50. In the mutuals we have coverage to the extent of $250,000 at an actual yearly outlay of $106. Charging ourselves 6 per cent. on the premium deposit, which needs to be made with the mutuals, our overall cost on the $250,000 is $227.27 a year, so that you are obtaining a 60 per cent. increase in coverage on a considerably less outlay.

"When it comes to service and inspection, our opinion is that the New England mutuals are far and away ahead of the stock companies. We get very frequent inspections—four and five times a year—never by the same man twice. We have found them to be very helpful in suggestions in every way; in fact, they are selling fire protection, not fire insurance, and they make that quite clear. They are more interested in seeing that our plant does not burn than they are in having us give them a lot of insurance.

"Unfortunately, we had occasion to make claim on the mutuals for a small fire and we have nothing but praise for the way in which they handled this matter; in fact, they seemed to be disappointed that we had not gone ahead and cleaned everything up and made our own settlements before the inspector arrived and he was on the job mighty quick."

A large Toronto wholesale firm writes, "We appreciate the independent attitude The Financial Post is taking. No doubt your stand will be upheld by all fair minded people."

Purchase Tariff Insurance Too

A Hamilton company, branch of a large American concern, points out that they are large purchasers of tariff insurance such as boiler, elevator, public liability, automobile and similar risks, and they are rather displeased with the attempt to bludgeon them out of insuring with the mutual companies. They say "We are not at all in sympathy with the method adopted by the tariff companies which is bound to act as a boomerang to their cause."

This company figures that they have effected a saving of approximately one-third on their mutual fire insurance under the tariff basis. They find the mutual inspection system most efficient and helpful and a medium through which they can continue to enjoy fire prevention instead of the unpleasant experience of fire hazard.

Could Not Compete

Another Western Ontario firm states that although they have insured in the American mutuals for many years they went to the Canadian tariff companies about a year ago and asked the latter for a proposition. They felt that they should keep their insurance in Canada if at all possible. But they could not get as attractive a proposition as the mutuals were able to offer.

The mutual rate charged this firm was so low that in seven years they paid the entire cost of installing a sprinkler system and in the balance of the twenty years that they have used mutual insurance, there has been a continued profit.

"We are highly pleased with the inspection system," they say. "We have a very good system in our plant, but this outside check makes sure that no points are being overlooked."

Satisfied Now—But

A large retail organization points out that they divide their insurance between tariff and non-tariff, some of the latter being mutual or reciprocal companies. This firm carries 70 per cent. of its business in the tariff companies. Yet this company was one the list of companies to be "boycotted" by employees of tariff insurance brokers and agents! It is little wonder, then, that the president of this company says to The Financial Post, "Our opinion is that if the tariff companies attempted coercion they would lose a great deal of Canadian business, as we for one feel perfectly comfortable with a British policy and there is lots of United States protection being offered in this market at advantageous figures."

"Boycott" Best Friends!

A rather disturbing feature of the situation is that certain firms whose names were published by the Toronto Insurance Conference as insuring with mutual companies do not carry any mutual insurance but on the other hand insure only with stock companies. Thus the Toronto Insurance Conference, consisting of brokers and agents representing stock companies has been put in the position of asking its members to boycott some of its own best customers. This probably arose through the fact that the list published by the conference is old. Some of the firms listed on it are no longer in existence.

"Printed in U. S. A."

A Toronto company reports that they were paying a rate of 40 cents for their fire insurance until they began to dicker with the mutuals. The tariff companies then promptly cut their rate to 30 cents. Nevertheless the switch was made to the mutuals and the net cost has not exceeded 15 cents since then.

An interesting commentary on the plea that Canadians should insure only in Canadian companies through Canadian brokers is found in a circular just issued by a member of the Toronto Insurance Conference upon which is stamped the words "Printed in the U. S. A." Incidentally the head of this insurance brokerage firm is quoted as stating to a large mutual insurer that "not more than 50 per cent. of the members of the Toronto Insurance Conference are favorable to the boycott.

Need Lots of Farm Help

SASKATOON.—Employment officials here state that the demand for British, Scandinavian and German farm help is far in excess of the supply. They hope it may be possible to remedy this situation to some extent when the harvester movement gets under way.

Have You Read "The Truth About the War" in the July 1st issue of MACLEAN'S MAGAZINE?

THIS article, by Major George A. Drew, has created a sensation from coast to coast. Scores of letters from all parts of the Dominion have come to MacLean's Magazine, commending its action in setting forth in incontrovertible fashion the true facts regarding the Canadian, British and Allied troops in the war. It was something that was crying to be done to counter the slanderous statements and harmful misinformation appearing recently in certain United States magazines which circulate in Canada. Now it has been done, and done exceedingly well — an article every Canadian should read.

If you missed it in the magazine . . . read it in pamphlet form FREE

RESPONDING to requests received from a great number of readers, MacLean's is reprinting in pocket-size pamphlet form Major George A. Drew's article, "The Truth About the War," which appeared in the July 1 issue of Canada's National Magazine. One hundred thousand copies of the pamphlet are ready for distribution. Readers of Hardware and Metal desiring from one to three copies may secure them free of charge by enclosing with their address two cents in stamps to cover postage.

Those desirous of obtaining a larger number may secure them at a nominal price of twenty-five cents per dozen so long as the supply lasts.

MACLEAN'S MAGAZINE
153 University Avenue
Toronto, Ont.

Canada's National Magazine Believes Canadians Should Know The Facts

Dominion Oil Company Limited

DIVIDEND NO. 1

Notice is hereby given that a dividend of twenty-five cents (25c) per share has been declared on the class "A" No Par Value Common Stock of the Company, for the quarter ending August 31st, 1928, payable September 1st, 1928, to Shareholders of record at the close of business on August 15th, 1928.

By order of the Board.
W. E. C. RICHARDS,
Secretary-Treasurer
Toronto, August 13th, 1928.

POWER CORPORATION OF CANADA LIMITED

Second Preferred Dividend No. 5

NOTICE is hereby given that a dividend of 1½% (75 cents per share) being at the rate of 6% per annum, has been declared on the 6% Non-Cumulative Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending Sept. 30th, 1928, payable Oct. 15th, 1928, to shareholders of record at the close of business, September 29th, 1928.

By order of the Board,
L. C. HASKELL, Secretary.
July 27th, 1928.

Mexico Tramways Company

GENERAL CONSOLIDATED FIRST MORTGAGE 50-YEAR 5% GOLD BONDS

NOTICE IS HEREBY GIVEN that on and after 1st September, 1928, Coupon No. 31, dated 1st March, 1922, detached from the above Bonds, will be paid at the Bank of Montreal, Toronto, Montreal or London, England, or at the Agency of the Bank of Montreal, New York, at the holder's option.

Dated at Toronto this 15th day of August, 1928.
MEXICO TRAMWAYS COMPANY,
R. H. MERRY, Secretary.

Lake Superior Corp. Stock to Be No Par; Preferred For Bonds

Changes Are Preliminary Steps in Reorganization

EARNINGS HIGHER

Algoma Steel Enabled to Write Off Substantial Sum For Depreciation First Time in Years

Writing down of assets, changing of $100 par stock to shares of no-par value and conversion of income bonds, due in 1929, to non-cumulative preferred of $5 par value are preliminary steps in the reorganization of Lake Superior Corp. as revealed in the remarks of Robert Dodd, president, in the report for the year ended June 30, published this week.

The report reveals a much healthier situation than has prevailed for a number of years. Algoma Steel Corp. had net earnings from operations of $1,854,084, compared with only $706,886 the previous year. The 1928 earnings were the largest in the post-war history of the steel corporation and are substantially in advance of 1921 and 1924, when earnings of approximately $1,050,000 were shown.

Gross Income Higher

Gross income of Lake Superior Corp. was $344,646, compared with $306,930 in 1927. After payment of bond interest of $263,900 in 1928 and general expenses of $75,715, the net income for the year was $5,031.

The long-delayed writing down of assets, which may be said to have commenced a year ago with the creation of $192,500 as a reserve for bad debts, has been carried much further this year by the writing off of $8,209,632, in respect of ascertained losses in investments not represented by assets. This process can be carried further when liability for $40,000,000 of stock of $100 par value is reduced—when the stock becomes of no-par value; then there can be a very considerable scaling down of the book values of securities, which are the principal assets of the corporation.

Stocks and bonds of subsidiary companies are shown at $38,218,800, compared with $46,478,883 the previous year. Mr. Dodd points out that while various subsidiary enterprises of the corporation have been disposed of since the organization of the corporation in 1904 (as the successor to the Consolidated Lake Superior Corp.), there has been no revision of the capital assets.

Balances due by subsidiary companies are up $7,000 to $1,739,500. Current assets are down some $20,000 to $231,011. Other assets, including real estate, mining properties, etc., are up some $10,000 to $111,374.

$670,000 For Depreciation

The only dividend on stock received from a subsidiary was $7,000, which came from the British America Express Co., which operates under contracts with both the Algoma Central and the Algoma Eastern. The dividend is $2,000 higher than the previous year. The express company capital of $100,000 is owned entirely by the Lake Superior Corp.

Lake Superior Corp. stock is traded mostly in Philadelphia. The latest quotation is $5.50 bid, $6.50 asked. Trading is spasmodically active. The par value of the outstanding stock is $40,000,000. The company also has $7,143,000 of first mortgage collateral trust 5 per cent. bonds, interest on which is paid to date, and $3,000,000 of income bonds on which no interest has been paid. It is this latter issue, due next year, which it is proposed to convert into non-cumulative 5 per cent. preferred stock of $5 par value.

The real improvement in the situation at Sault Ste. Marie is reflected in the earnings statement and balance sheet of the Algoma Steel Corp. For the first time in a number of years there is a deduction for depreciation. The substantial sum of $670,000 is thus charged off. The net profit, after bond interest was $716,171. The loss on the investment in the Sault Ste. Marie (Mich.) Traction Co., which was sold during the year, also is written off and this amount, $42,615, with the depreciation, leaves $3,555 to be carried forward. The debit balance carried forward is $2,739,155, or slightly under the debit balance carried forward the previous year.

Working Capital Grows

Current position of the Algoma Steel Corp. is improved. Current assets are up from $5,894,488 to $7,171,538, while current liabilities are up only from $3,400,409 to $3,835,782. Working capital thus is increased from $2,498,977 a year ago to $3,335,756 at the end of June. Cash on hand is up from $436,585 to $527,690. Accounts receivable are up from $1,061,770 to $2,910,873. Materials and supplies on hand are down from $3,905,246 to $3,189,648. This last is indicative of a speeding up in production made possible by a greater number of orders to fill, but is due in part to the fact that the late opening of the navigation season has delayed the acquirement of the winter's supply of coal and ore at Sault Ste. Marie.

Production is Greater

As was to be expected in view of the larger volume of business, accounts payable show an increase from $1,253,991 to $1,694,545.

Following are production figures for the steel plant in the last two fiscal years:

	1926-1927	1927-1928
Coal imported	870,190	653,621
Ore imported	483,084	504,814
Limestone produced.	182,493	192,666
Coke produced	422,374	431,657
Pig iron produced..	230,966	250,585
Steel Ingots produced	213,719	330,685
Steel Products	163,704	253,592

Total sales in the year were $14,740,613, which was 37 per cent. higher than in the previous year, when sales of $10,775,558 were made. The outlook for the coming year is considered promising. A new venture, which will begin operation by November 1, is a plant for the production of motor benzol from coke oven surplus. Orders on hand at the close of the fiscal year totaled $3,277,183.

Cannelton Coal & Coke Co. produced 575,425 tons of coal in the year, compared with 703,678 tons in the previous year. The lower output is due to the late opening of navigation. Production of 385,387 tons of coal by Lake Superior Coal Co. was a high record for this subsidiary of Algoma Steel. Fiborn Limestone Co. produced 192,066 tons of crushed limestone in the year, an increase from 181,057 tons the previous year.

Railway Income Lower

Operations of the Algoma Eastern Railway show a net income of $12,061 after taxes, compared with $33,710 the previous year. Decreased earnings were due to curtailment of activity in the paper mills at Espanola. Interest charges were reduced during the year by $6,064. The operating ratio was 74.67 per cent., compared with 72.61 per cent. the previous year.

Report of the Algoma Central does not appear with the report of Lake Superior Corp. for the reason that this railway subsidiary is under the control of a committee of the bondholders. Mr. Dodd states in his preamble, however, that the railway and central terminals are expected to show a net profit of $102,560 before bond interest, compared to net earnings before bond interest of $220,650 for the previous year. The drop in earnings of the Algoma Central is attributed to the same causes of the drop in earnings of the Algoma Eastern.

Make Rails 233 Days

Following completion of the extension to rail mill finishing department July 31, 1927, to permit rolling of 39 ft. rails, the mill operated on single turn to September 12. Rolling was resumed on November 14 and single turn operation continued until the mill was put on double turn February 19, 1928, to meet spring requirements of the Canadian railways, this operation continuing to the end of the fiscal year. Altogether, the mill operated double turn 114 days, single turn 119 days, and was down 81 days of the 314 working days in the year (idle time being 19 per cent. less than in the preceding year) and produced 179,311 tons of rails in comparison with 97,804 tons last year. This is the largest rail tonnage since the fiscal year ended June 30, 1921.

There was a good market for merchant mill products, although demand from the automobile industry was curtailed, not only on account of changes being made at the Ford plant but principally on account of heavy importations under present low rates of duty. The 18 inch and 12 inch mills produced a total of 72,224 tons, compared with 63,213 tons last year; pig iron shipments were 75,183 tons compared with 82,719 tons; and coke shipments were 147,552 tons compared with 149,343 tons.

Following are comparative income accounts of Lake Superior Corp. and Algoma Steel Corp.:

Lake Superior Corp. Income Account

	1928	1927	1926
Gross Income...	$344,646	$306,930	$318,627
Less Oper. Ex. ..	75,715	55,752	62,360
Net earnings ..	268,931	251,178	256,267
Bond Int.	263,900	263,900	263,900
Res. for bad debts	......	192,500	......
Net income ..	5,031	205,222*	7,633*
Prev. surplus ...	953,168	959,973	967,606
Susp. ac. trans.	......	198,417	......
Writ. off inv...	8,209,632	......	......
Carried for'd. ..	7,251,433*	953,168	959,973

*Debit.

Algoma Steel Profit and Loss Account

	1928	1927	1926
Net earnings .	$1,854,084	$706,886	$415,765
Other income	6,254	112,500	14,879
Total	1,860,338	819,386	430,644
Less: Interest	1,144,171	1,070,635	1,069,403
Net profit ..	716,167	251,249*	638,759*
Depreciation	670,000	......	......
Loss re Soo Traction ...	42,615	......	......
Surplus for year	3,555	251,249*	638,759*
Debt bal. for'd.	2,739,155	2,742,711	2,491,462

*Loss.

More Directorships

LEONARD E. SCHLEMM, Montreal, a director of the Lake Superior and Algoma Steel Corporation, has recently been elected to the Boards of the Lake Superior Coal Company and the Algoma Eastern Railway Company.

Debt Down $60,000,000

OTTAWA. — Dominion Government revenues for the first four months of the present fiscal year are up $13,000,000 as compared with the same period of last year. Expenditures show an increase of $4,000,000. The net debt on July 31st, was $60,000,000 lower than on the same date twelve months ago. Total revenues were $167,946,000, as against $154,858,000 in the four months ended July 31st, 1927. The grand total of expenditure during the same two periods was $106,776,000 in 1928 and $102,360,000 in 1927.

DIVIDEND NUMBER 179
HOLLINGER CONSOLIDATED GOLD MINES, LIMITED
(No Personal Liability)

A dividend of 2% on the outstanding Capital Stock of the Company has been declared payable on the 8th day of September, 1928, on which date cheques will be mailed to shareholders of record at the close of business on the 22nd day of August, 1928.

Dated the 15th day of August, 1928.
I. McIVOR,
Assistant-Treasurer.

P. T. LEGARÉ CO. LIMITED

DIVIDEND No. 4

The regular 1¾% quarterly dividend on the 7% preferred stock of this Company has been declared for the quarter ending August 31st, 1928, payable on the 1st day of September, 1928, to shareholders of record at the close of business the 15th day of August, 1928.

By order of the Board.
P. C. FALARDEAU,
Secretary-Treasurer.
Quebec, August 13th, 1928.

Capital Available FOR INVESTMENT

A foreign syndicate desires to hear from industrial or mining corporations requiring additional capital in amounts in excess of $200,000. All communications treated confidentially. Appointments arranged and bona fides given and expected.

Box No. 180,
THE FINANCIAL POST,
Toronto, Ont.

Belgo Canadian Paper Company, Limited

Dividend Notice

Notice is hereby given that a dividend of 1¾% for the three months ending September 30th, 1928, being at the rate of 7% per annum, on the paid-up Preferred Stock of this company, has been declared and that same will be paid on the first day of October, 1928, to shareholders of record at the close of business September 1st, 1928.

By order of the Board.
G. WILFRED HODGSON,
Secretary-Treasurer.
Montreal, August 14th, 1928.

St. Maurice Valley Corporation

Dividend Notice

Notice is hereby given that a dividend of 1¾% for the three months ending September 30th, 1928, being at the rate of 7% per annum, on the paid-up Preferred Stock of this Corporation, has been declared and that same will be paid on the first day of October, 1928, to shareholders of record at the close of business September 15th, 1928.

By Order of the Board.
G. WILFRED HODGSON,
Secretary-Treasurer.
Montreal, August 14th, 1928.

Canadian Pacific Railway Company

DIVIDEND NOTICE

At a meeting of the Board of Directors held to-day, the following dividends were declared:

On the Preference Stock, two per cent. for the half-year ended 30th June last;

On the Common Stock, two and one-half per cent. for the quarter ended 30th June last from railway revenues and Special Income;

Both dividends are payable 1st October next to Stockholders of record at three p.m. on 31st August instant.

By order of the Board,
ERNEST ALEXANDER, Secretary.
Montreal, 13th August, 1928.

FOR SALE

Two passenger elevator equipments, now in use, consisting of two attractive metal passenger cars, approximately 5' x 6', with five pairs of metal and glass floor landing doors and enclosures and two drum type motor driven winding machines with cables, sheaves, safety devices, etc., for a lifting height of 61 feet, all in good running order and can be seen now in operation. Motors are wound for 440 volts, 66-2/3 cycles, 3 phase.

Reason for selling—Owner is adding additional floors to Office Building and the present machines not having sufficient lift to take care of the additional floors. Possession of elevators may be had approximately November 15th.

Box 160, The Financial Post, Toronto, Ont.

Debentures

Sealed tenders will be received by the undersigned up to 5 p.m. (S.T.) on Tuesday, September 4th, 1928, for the sale of $70,000 of Debentures of the Township of East Whitby, County of Ontario, for the following purposes:

School Section No. 10—$36,000, 5½% yearly interest for 30 years.

School Section No. 11—$34,000, 5½% yearly interest for 30 years.

The successful tender to supply the debenture forms complete for signatures.

The highest or any tender not necessarily accepted.

P. G. PURVES, Clerk,
Tp. East Whitby,
Columbus, Ont.

E. L. Ruddy Company, Ltd.

Notice is hereby given that the Board of Directors of this Company has declared a quarterly dividend of one and three-quarters per cent. on the Preferred Stock of the Company, payable on 1st September, 1928, to all shareholders of record at the close of business 15th August, 1928.

Dated at Toronto, 13th August, 1928.
V. T. PEGG,
Secretary.

The Great West Saddlery Company Limited

Dividend No. 2

Notice is hereby given that a dividend at the rate of 6½% per annum has been declared on the First and Second Preference shares of this Company for the quarter ending August 31st, 1928, and that such dividend will be paid on the first day of September next to shareholders of record August 17th, 1928. The Preferred Stock Transfer Books will be closed, from the 18th to the 31st days of August, both inclusive.

By order of the Board.
T. J. LYTLE,
Secretary.
Winnipeg, Manitoba, 10th August, 1928.

CITY MANAGER WANTED
CHATHAM, ONTARIO

The undersigned will receive applications until 4 p.m., August 31st, for city manager on behalf of the City Council. Applicants must state age, experience, qualifications, salary desired and when available. Full information may be obtained from the present City Manager. Applications must be marked on the envelope "Applications for Managership."

C. H. R. FULLER,
City Manager,
Chatham, Ont.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after SATURDAY, the FIRST day of SEPTEMBER next, to Shareholders of record the 31st July, 1928.

By order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.
Montreal, 20th July, 1920.

NOTICE OF MEETING

The Canadian Bank of Commerce

Notice is hereby given that a special general meeting of the shareholders of the Canadian Bank of Commerce will be held at the head office of the Canadian Bank of Commerce at 23-25 King Street West in the City of Toronto, Ontario, Canada, on Tuesday, the eighteenth day of September, 1928, at the hour of 12 o'clock noon (daylight saving time), for the purpose of submission to the said shareholders of an agreement for the sale by the Standard Bank of Canada to the Canadian Bank of Commerce and for the purchase by the Canadian Bank of Commerce from the Standard Bank of Canada of the whole of the assets of the Standard Bank of Canada upon the terms set out in such agreement and for the purpose of considering such agreement and for the purpose, if thought fit, of approving of the same, and also for the purpose, if thought fit, of passing a by-law fixing the number of directors of the Bank at thirty-seven and amending By-law Number One of the Consolidated By-laws of the shareholders to give effect thereto.

By order.
S. H. LOGAN,
General Manager.
Toronto, the twentieth day of July, 1928.

The Standard Bank of Canada

Notice is hereby given that a special general meeting of the Shareholders of The Standard Bank of Canada will be held at the Head Office of The Standard Bank of Canada, at 15 King Street West, in the City of Toronto, Ontario, Canada, on Tuesday, the eighteenth day of September, one thousand nine hundred and twenty-eight, at the hour of eleven o'clock (daylight saving time) in the forenoon for the purpose of submission to the said Shareholders of an agreement for the sale by The Standard Bank of Canada to The Canadian Bank of Commerce, and for the purchase by The Canadian Bank of Commerce from The Standard Bank of Canada of the whole of the assets of The Standard Bank of Canada upon the terms set out in such agreement, and for the purpose of considering such agreement, and for the purpose, if thought fit, of approving of the same.

By order
N. L. McLEOD,
General Manager.
Toronto, the 18th day of July, A.D., 1928.

The Canadian Bank of Commerce

Dividend No. 166

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1928, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st September next, to shareholders of record at the close of business on the 16th day of August, 1928. The transfer books will not be closed.

By Order of the Board,
S. H. LOGAN,
General Manager.
Toronto, 20th July, 1928.

DAVID & FRERE, LIMITEE

Dividend Class A, No. 1

A dividend of fifty-six cents (56c) per share has been declared on the no par value Class A Common Stock of the company, for the quarter ending August 31st, 1928, payable September 15th, 1928, to shareholders of record on August 31st, 1928.

L. R. PHILIE,
Secretary-Treasurer.
Montreal, August 1st, 1928.

HOWARD SMITH PAPER MILLS Limited

Incorporated 1928

Dividend Notice on Preferred Stock

Notice is hereby given that a dividend of 1½% on the 6% Preferred Stock of the Howard Smith Paper Mills, Limited, Incorporated 1928, has been declared for the quarter ending the 31st day of August, 1928, payable on the 31st day of August, 1928, to Shareholders of record at the close of business on the 21st day of August, 1928.

By order of the Board.
E. HOWARD SMITH, Jr.,
Secretary.
Montreal, August 10th, 1928.

CITY OF MOOSE JAW

CITY COMMISSIONER

The City of Moose Jaw is prepared to receive applications for the position of City Commissioner. Applicants to state age qualifications and salary required also furnish references and state tentative date available for duty if successful. Canvassing of Mayor and Aldermen will be a disqualification. Applications endorsed "City Commissioner" to be in the hands of the undersigned not later than noon Wednesday, September the 12th, nineteen twenty-eight.

D. CRAVEN,
City Clerk.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, AUGUST 17, 1928 | 10c. a Copy; $5.00 a Year | No. 33

LONG PERIOD FOR CUTTING TO AID WEST

Prolonged Harvesting Season Helps in Face of Labor Situation

WHAT WILL CROP BE?

Too Early to Make Accurate Forecasts, But Anyone's Guess is Good if Above 500,000,000 Bushels

From Our Own Correspondent

WINNIPEG—Harvesting of Western Canada's greatest grain crop has begun. Binders are at work in many fields, and have been during the past ten days, although there is much of the crop that will not be ready for cutting much before the first of September. That means an unusually prolonged harvesting season, at least for a good weather period. In previous years, harvests have been lengthened out by wet weather preventing cutting, but not for a long time has there been such a wide spread in dates of the grain reaching maturity. The spread exists, not only between different districts, but between farms in the same districts, and even different fields on the same farms.

That condition is due to uneven germination in the spring. Although the season has been unusually wet, the seeding period was decidedly dry, and grain sown late, after the top soil was well dried out, had to wait for the rains to get enough moisture to germinate. However, the result has been entirely satisfactory, for the growing season has been long enough and favorable enough to take care of all the crop.

Good Reports From Everywhere

One of the most remarkable things about present conditions, (and never have things looked better at the middle of August), is the uniformity of good reports from all parts of the country. From one end of the country to the other satisfactory reports are reaching Winnipeg. Usually at this time of year you can find a good deal of pessimism among the elevator men. If things are bad in any part of the country they probably know it first, for it is the business of the country elevator agents to keep close watch on the growing crops, and not only to report what the farmers think but to keep on sending in samples to be passed on by expert opinion. And the elevator men say that things seem to be good all over.

Exception, of course has to be made for the districts struck by hail. Losses of some individual farmers have been very heavy, and losses of certain districts severe. Some millions of bushels of prospective crop have been lost, but the total of all such losses is small in comparison with the whole crop. A few districts, too, especially in the Red River valley, suffered from excessive moisture. There are complaints of excessive crops of weeds, especially in south-eastern Saskatchewan, but it is also worth noting that other districts, mainly in Manitoba in which weeds in former years have been very bad, report the crop has far outrun the weeds. Weeds have always been worse in the older districts. It takes some time for weeds to establish themselves firmly in newer land, and once they get established it takes the farmers some time to learn how best to cope with them and to make the necessary changes in their system of farming. In Manitoba there is reason to believe that the problem has been partly solved. largely by the increase of livestock on farms, and to some extent by changes in cultural methods.

Little Rust This Year

The scourge of rust, the ever present fear of Manitoba and of southeastern Saskatchewan, though hardly ever present in Alberta, has almost completely hidden itself this year. In some places it made its appearance and developing pustules punctured the straw in enough places to give rise to fears. But weather sufficiently favorable for its further development did not appear and the danger passed. In fact one field is known of which hope had been given up nearly a month ago, and which is now reported to have filled heads that give promise of a thirty bushel yield.

Several explanations have been advanced of this year's immunity from rust. For one thing rust has not been as bad as usual south of the border, and our infestations are believed always to come up from the south. It is believed impossible for rust to winter over in western Canada, because of the lack of any intermediate host to shelter it through the cold. Then we had very heavy rains during the period of greatest danger, and it is possible that these washed the floating spores into the ground where they had no chance to develop, instead of allowing them to settle on the plants. It is also likely that the increasing area devoted to durum wheat and to barley in those districts of Manitoba most susceptible to rust, and where its earliest development is always looked for, acts as an insulating area for the rest of the country. Thus the farmers who grow those crops provide protection not only for themselves but for the rest of the country.

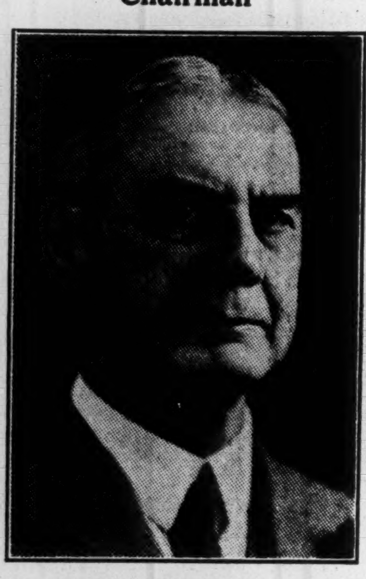
At Least 500,000,000 Bushels

Those who seek reliable estimates of the size of this year's crop will have to wait until threshing is well advanced, and perhaps until later. Even at threshing time last year's crop was underestimated by about fifty million bushels. Estimates of the wheat crop in the United States have been increased in two months by nearly a hundred million bushels. The field for guessing lies somewhere above five hundred million bushels, for hardly anyone thinks the crop will be as small as that. Few estimators are prepared to go as high as six hundred million bushels, which would mean an average yield as great as the country has ever known. Occasionally someone declares his opinion for a still higher yield, but such ideas are based, as yet, more on the extremes of optimism and hope than upon any reliable data.

One element of uncertainty is the crop acreage. Before the Dominion Government estimate of acreage was published it was generally believed that about two million acres more than last year had been seeded to wheat. But the official estimate made it only a million more, at 22,440,100 acres for this year. It is easier to calculate on a comparison with last year. Alberta may equal or surpass its tremendous yield of last year, since conditions now look just as good, and there is increased acreage and less hail damage to reckon with. Saskatchewan should have a lot more wheat than last year, due to a higher average yield. Manitoba had a very poor crop last year and seems to have a bumper crop this year. Add them up. and an increased yield of seventy-five million bushels seems reasonably probable, with still more possible. And last year the west produced somewhere between 450,000,000 and 470,000,000 bushels.

Coarse grain crops also look good. The stand of straw is extremely heavy everywhere, so much so that many districts are calling for far more binder twine than originally estimated. Indeed, it may be hard to find enough binder twine to go around, and several distributors are now refusing orders. A heavy strawed crop is more difficult and expensive to handle, but this will be offset by the protracted harvesting season, enabling farmers to use their own labor to better advantage, and making the call for outside help somewhat less urgent.

Chairman



GEORGE H. HALSE, for six years president of the B. C. Telephone Company, has been appointed to the position of chairman, with Gordon Farell as president and James Hamilton as vice-president and general manager.

IMPLEMENT FIRM AT MEDICINE HAT TO ISSUE SHARES

Wins Lawsuit But Requires to Raise $10,000 in Cash

Shareholders of Canadian Farm Implement Co. of Medicine Hat, Alta., are being asked to subscribe for $10,000 of additional preferred stock and as an inducement are given the privilege of converting an equal amount of common stock into preferred. Both stocks are of $1 par value.

The company is taking this means of raising $10,000 which had to be paid before it could take possession of the plant of the Alberta Foundry & Machine Co. A lawsuit over this plant in January was decided in favor of Canadian Farm Implement Co.

No Profit as Yet

Canadian Farm Implement Co. has been in existence for a number of years, but so far has been far from profitable. The balance sheet as of December 31, 1927, shows a deficit of $170,837, which was an increase from $64,918 as of March 31, 1925. No balance sheet was published for 1926 and no annual meeting of the company as held for that year.

Other figures in the two documents reveal a far-from-healthy condition. The later balance sheet does not carry the certificate of auditors and in the earlier one the auditors, Martyn, Oliver & Co., chartered accountants, pointed out that no reserves for depreciation had been set up. Factory site and building at that date had cost $33,137. The book value of patents, $346,033, includes some $325,000 paid to the Canadian Mower Improvement Co. It was noted then, that $91,054 had been expended in the purchase of the Alberta Foundry.

As at December 31, 1927, the capital subscribed and paid totalled $928,824 of which about $5,000 was preferred and the balance common. Apparently it is the intention to provide for the issuance of some $205,000 of preferred, of which a portion will have been converted from common stock.

J. C. Dunlop is president, R. H. Speers is vice-president, Miss I. R. Palmer is secretary and treasurer. Other directors are Thomas Rabenburg, Richard Prince and J. C. Brannick.

The company in 1925 was prepared to sell coal in car-load lots to shareholders as well as to provide agricultural implements. A variety of further activities is planned, including the importation of machinery and the sale of ready-cut homes and lumber.

DENMAN & CO.
LIMITED
INDUSTRIAL FINANCING
HAMILTON BELLEVILLE
LONDON TORONTO

VANCOUVER SHIPS 88,000,000 BUS. OF CANADIAN GRAIN

This Year It Surpasses Even St. Lawrence Ports

From Our Own Correspondent

VANCOUVER.—The Pacific Coast, and Vancouver in particular, has been considerably thrilled by the realization that it now ranks as the greatest grain exporting zone in Canada.

According to W. Lloyd Craig, prominent grain exporter of Vancouver and chairman of the grain exchange division of the Merchants' Exchange, who bases his estimates on government figures and the records of private companies, British Columbia ports have surpassed Eastern Canadian ports in the export of Canadian grain and Vancouver now stands as the greatest grain export centre in the Dominion for Canadian grain, having surpassed Montreal, Halifax and other Eastern Canadian points during the season ending July 31 by 9,000,000 bushels.

(Editor's Note: Montreal remains Canada's greatest grain shipping port by virtue of shipping large quantities of American grain).

Shipped 88,000,000 Bushels

Vancouver's growth is no ordinary achievement for it represents a development of only six years. Before that period the amount of grain flowing westward through British Columbia ports and far-seeing business men who predicted that Vancouver would some day be a leader in the grain export business were treated with derision.

During the crop year ending July 31, Canadian grain shipped from ports on the Pacific Coast totalled 88,000,000 bushels and in the same period St. Lawrence and other Canadian Atlantic ports exported 79,000,000 bushels, according to figures compiled by the Dominion statistical bureau.

"British Columbia has still a long way to go before it can outdistance New York and some of the United States ports for these centres handled 151,000,000 bushels," said Mr. Craig. "Approximately 48 per cent. of our Canadian grain was shipped through American ports, and 24 per cent. through Eastern Canadian ports and 28 per cent. through British Columbia."

See 100,000,000 Mark

It is the ambition of the grain trade in British Columbia to reduce that percentage of grain flowing through United States seaboard cities. The prediction is made by W. Fynn Russell, chairman of the Vancouver board of harbor commissioners, that next year Vancouver will ship 100,000,000 bushels of grain and that there is practically no limit to the expansion of its shipping capacity. Within the next four months the elevator capacity on the British Columbia coast will be 14,000,000 bushels and of this 11,000,000 bushels capacity will be at Vancouver. Six years ago the capacity was 1,250,000 bushels and very little of the space was used. Pessimists used to regard the big gray storage building as an eyesore.

One of the developments that has helped Vancouver's grain export trade and which will continue to be an advantage is the growth of the Oriental demand for Canadian wheat. The peoples of the Far East are learning to eat bread instead of rice and the tremendous consuming power of China and Japan is beginning to make itself felt in a most emphatic way.

Sell in Orient

More Canadian grain has been shipped to the Orient in one year since the organization of the Wheat Pool than in any three years prior to that time, according to directors of the pool, and all this means increased business for the Pacific seaboard. The lower grades of wheat that might not be readily marketable elsewhere are finding a ready sale in the Orient.

Readjustment of freight rates has been an important victory for coast grain interests and now that the traffic has been developed the railways are co-operating with better service and increased accommodation. The bogey of a car shortage has been pretty thoroughly dispelled. The establishment of a grain futures market in Vancouver a few months ago has been another big step in the development of the coast as a permanent centre of the Canadian grain trade.

Sherwin-Williams Maintains Position

From Our Own Correspondent

MONTREAL. — Although there was a cut in the price of paints, it is understood that the profits of the Sherwin-Williams Company of Canada for the current fiscal year ending this month have not been affected. It is thought that net profits of the company for the current year will be approximately equal to those of a year ago when earnings on the common amounted to nearly $9.

Demand for paint has been satisfactory and economies in operations have offset to a degree lower prices. Larger sales in lacquer are reported. The talk of a split in Sherwin-Williams shares has died a natural death—at least for the time being.

FRATERNALS MEET ON CANADIAN SOIL IN 1928 CONVENTION

The Financial Post Publishes Review of Position of Societies

Four hundred national officers of the 89 fraternal benefit societies affiliated with the National Fraternal Congress of America, will meet in annual convention at the King Edward Hotel, Toronto, Canada, the week beginning August 20. This week's issue of The Financial Post devotes three pages to fraternal insurance.

Every state and several of the Canadian provinces will be represented in next week's conference. Many of the societies draw their memberships from one nationality, one creed, or one trade—as the Polish National Alliance, Knights of Columbus, Brotherhood of Railway Trainmen and Engineers—and these officials find no difficulty in meeting on a common ground to discuss and enact laws and policies for their mutual welfare. Catholics, Protestants and Jews are active in this body.

President Sidney H. Pipe of Toronto, president of the National Fraternal Congress of America, and an actuary of international standing, is the third Canadian in a history of nearly fifty years to hold the office of president of the congress, and the gathering at Toronto this year is in compliment to him and to the fraternal society he represents—The Independent Order of Foresters.

See Dunn to Succeed

E. J. Dunn, Chicago, Illinois, president of the Loyal American Life Association, is vice-president of the congress and is considered the popular choice for presidency at this meeting. Mr. Dunn is one of the pioneer leaders of fraternalism, and enjoys a national reputation as the author of many of the outstanding books on modern fraternal operation.

The first day's sessions will be divided into the several sectional meetings of the presidents, secretaries, editors, medical directors, lawyers and actuaries. The executive committee of the congress will also convene.

On Tuesday, August 21st, the Hon. Mayor Samuel McBride will welcome the convention to Toronto, and R. Leighton Foster, superintendent of insurance for the province of Ontario, will deliver an address.

The National Fraternal Congress has been the meeting place to agree upon the laws and policies in the campaign to make fraternal insurance sound and dependable. The member societies of the congress are known to-day as the sound societies, with actuarial solvency of 100 per cent. and assets in excess of six hundred millions of dollars. The fraternal insurance carried on the lives of the great mass of the common

(Continued on page 13)

Harley, Milner & Co.
(Members Toronto Stock Exchange)
INVESTMENT SECURITIES
Private wire connections to principal financial centres
350 BAY STREET, TORONTO
Telephone Adelaide 9071
HAMILTON
26-28 MAIN STREET E.
Telephone: Regent 9660
LONDON
PEOPLES LOAN BUILDING
Telephone: Metcalf 682
WINDSOR
SECURITY BUILDING
Telephone: Seneca 4942
ST. CATHARINES
72 ST. PAUL STREET
Telephone: 4060
F14

ADMINISTRATION & TRUST COMPANY
(Societe d'Administration et de Fiducie)
(Established in 1902)
Administrators
Executors Trustees
HEAD OFFICE - MONTREAL
5 St. James St. East - Credit Foncier Building
Branches
Quebec Winnipeg Regina Edmonton Vancouver
HON. SIR H. LAPORTE, Pres. J. THEO. LECLERC, Gen. Manager

ANY BIG INCREASE IN STOCK PRICES IS LONG WAY OFF

Post's Attitude on Market Outlook Supported by Bankers

MONEY TO STAY TIGHT

But Market Offers Possibilities to Investors — Will be Little Speculative Buying

From Our Own Correspondent

MONTREAL.—The situation surrounding stock market prices has changed little during the past month or six weeks. As The Financial Post has steadily pointed out for two months, no betterment in the general stock market price level can be anticipated for some time to come. The views of The Post are supported by the current weekly review of financial affairs published by Greenshields & Company which contains an interesting summary of the situation leading up to the stock market decline and the reasons why an appreciation cannot be anticipated for some months to come. On this subject the Greenshields review says in part:

Towards the end of 1926, as a result of a well-liquidated situation in business plus a steady accumulation of savings, the Dominion found itself in the midst of a period of easy money, probably without previous parallel. In December of that year the ratio of Canadian deposits to the principal Canadian loans of the banks plus security investments had risen to 119.0 per cent. This ratio, which we have frequently used as a barometer of Canadian credit conditions, had been as low as 95.6 per cent. during the acute strain in credit in 1919-1920. Turning into 1927 the banks found themselves with a great abundance of funds available for employment. As the demand for money for commercial purposes had been increasing at a relatively slow rate, it was quite natural that a considerable part of the loanable surplus of the banks should find its way to the securities' market in the form of call loans on security collateral, one of the safest and most profitable mediums for the employment of banking funds. Call loans on Canadian security collateral were $142 millions in January, 1927. The average of these loans for 1926 had been approximately $140 millions. By May, 1927, however, the total had risen to $178 millions and a virtually perpendicular rise continued to the end of the year when the total was up to $242 millions.

The volume of speculative business on the stock exchange had expanded by the end of 1927 to large proportions. In the meantime active trade conditions were bringing increasing demands for credit from business. It was obviously with two things in mind, namely, that speculation in securities was getting out of hand and that the increasing demand for money for business purposes would necessarily tend to restrict the supply of credit for the security markets, that in the autumn of 1927, C. E. Neill, as president of the Canadian Bankers Association, issued an emphatic warning against inflation in security prices. Call loans at that time were around $223 millions.

Despite the warning then issued, and similar warnings that followed from other banking quarters, speculative buying of securities increased rather than decreased during the succeeding months. By the end of May call loans had risen to $269 millions, about $46 millions above the level at the time the first warnings were issued, and $127 millions above the level of January, 1927. Concurrently commercial loans were beginning to advance sharply. On January 31, 1927, the total of these loans had been only $962 millions. The figures had risen to $1,090

(Continued on page 15)

Canada Now Becomes Best Customer of U. S.

Our Purchases of Merchandise from the United States Now Exceed Those of Britain

Canada is now the best customer of the United States. The position long occupied by Great Britain as the largest industrial purchaser of American goods and produce has been taken over by this country and the United Kingdom has stepped into second place. This is revealed by official figures from Washington of American export trade during the first six months of this year.

From January to June, Canada purchased $429,000,000 of merchandise from the United States. In that period the United Kingdom purchased $384,500,000.

Occasionally Before

For several months in 1927 Canada was the chief market for American exports but on the year's total the United Kingdom was in the lead by the small sum of $4,200,000. In the whole year 1927 Canada purchased from the United States $835,900,000, an increase of $97,000,000 over 1926. As Canada's purchases from Uncle Sam increased by $26,000,000 in the first six months of the year while those of the United Kingdom declined by $31,000,000 it seems certain that this year Canada will prove the largest purchaser in the world of American products.

The chief items in American exports to Canada are wheat (for re-export to Europe) unmanufactured cotton, coal, crude petroleum, machinery, including agricultural machinery, automobiles, and parts for automobiles.

While Canada was purchasing $429,000,000 of American goods in the first six months of the present year the United States was buying from Canada only $232,000,000 of merchandise. The increase in American exports to Canada was, as shown above, $26,000,000; the increase in Canadian exports to the United States was only $7,000,000. Nevertheless the United States buys more from Canada than from any other nation.

Canada buys more from the United States than does South America and it buys approximately the same amount as does the entire far-famed Latin American market which American foreign trade observers have been boasting about of late.

All the figures are American government figures and differs somewhat from figures published by Canada.

PRICE LEVEL DOWN; DUE TO WHEAT DROP

Decline in Grains Chief Factor in Lower Tendency in Canadian Index

The Dominion Bureau of Statistics index number of wholesale prices declined slightly in July, being 149.6, as compared with 150.2 in June. 39 price quotations were lower and 39 higher, but the decreases outweighed the increases in importance. 158 quotations were unchanged.

Vegetables and their products declined from 158.6 to 152.0, due chiefly to lower levels for grains, flour and other milled products, potatoes, sugar and tea. Animals and their products rose from 141.3 to 147.4, cattle, hogs, beef, pork products, butter, cheese and eggs all moving to higher levels. Fibres, textiles and textile products advanced from 168.4 to 169.3. Cotton, wool, jute and hessian were higher in price, while silk and manila rope declined. Some minor declines occurred in iron and steel products, the index for this group being 139.4 as compared with 139.7 in June. Non-ferrous metals fell from 96.3 to 95.7, chiefly because of declines in tin, lead and silver. The wood and wood products, non-metallic minerals and chemicals and allied products groups were stationary.

Grain prices moved to lower levels during July. The average for No. 1 Manitoba Northern cash wheat, Fort William and Port Arthur basis, was $1.31, as compared with $1.42¼ in June, the high price for the month being $1.41⅜ on the 4th and the low $1.20⅝ on the 23rd. The chief factor in the movement of wheat prices to sharply lower levels was the constant improvement in new crop prospects in the Canadian west with indications of a record yield. Contributing factors were the large Canadian carryover, favorable growing weather in the United States spring wheat belt and the indifference of foreign buyers.

Coarse grains followed the wheat trend. Flour moved in sympathy with wheat.

The sugar market continued dull. Raw sugar at New York declined. Importations of refined sugar from the West Indies again depressed prices. Granulated sugar at Montreal declined. Citrus fruits, influenced by increased hot weather demand, were again firmer. Coffee prices were firmer, affected by rports of small crops in Brazil this season. The potato market was generally easier. With larger offerings of new potatoes on the market more limited demand prevailed for old stock.

Rubber prices moved within narrow limits, a slight tendency to strengthen, due to widening demand, being apparent.

Rosin, W.W., advanced at Montreal. Efforts in Savannah to curtail crop receipts and to try to stabilize higher price levels are reported. Turpentine was also firmer, due to increased consumption and a decline in the crop as compared with last year.

The cattle market was, on the whole, stronger. At Toronto, supplies, especially of choice grades, were moderate. Choice steers advanced from $10.75 to $11.28 per cwt. At Winnipeg, runs were heavier, farmers reported as moving cattle out to get ready for heavy harvests. Western cattle at Winnipeg declined. The hog market continued firm and advancing, supplies being still below normal. Meats reflected the trend in livestock.

Butter prices were firmer. Production has not kept pace with consumption, stocks on July 1st being approximately 3,000,000 lbs. less than last year. Prices were influenced too, by higher cheese values.

The egg market was firmer, receipts of high quality eggs declining with the warm weather. Demand, too, was keen, partly as a result of high meat prices.

Cotton fluctuated within narrow limits. While the crop is still late and subject to the dangers of weevil infestation and early frosts. improved conditions in the greater part of the belt owing to more favorable July weather and estimates of increased acreage tended to make sentiment less strongly bullish. The raw wool market continued firm. Raw silk prices were slightly weaker, $4.50 as compared with $4.55 last month. Jute was firmer, affected by more bullish new crop acreage reports.

Non-ferrous metal markets were dull and prices declines practically general. Tin ingots declined from 52½c. to 49½c., a new low point. Heavy consumption of tin is offset by record world production and the probability of visible supplies gaining for the next few months. Solder continued to decline as a result of prolonged weakness in primary tin markets. Lead was quiet and weak. Zinc was fairly active in comparison with other metals. Domestic spelter, however, fell. Copper was quiet although export business was well maintained for this time of the year. Prices remained steady. Silver declined slightly.

LOBLAW SHARES WILL BE ISSUED NEAR YEAR END

New Stores in North Bay, Sudbury and Cornwall

PLAN 44 IN CHICAGO

Buffalo Stores Do Average Business of $77,000 Weekly, It is Reported

Additional stock will be offered to shareholders of Loblaw's Groceterias before the end of the calendar year, it is officially stated. The shareholders at the annual meeting a week ago approved the increase in the authorized capitalization from 200,000 to 300,000 shares of common of no-par value. The common outstanding at present totals 191,650. The last time rights were offered was in February of this year, when 17,243 shares were offered at $60 per share. This increased the capitalization by 10 per cent. A further ten per cent. would add 19,196 shares, which necessitated the addition to the authorized capital.

In common with other stocks, in the chain-store group as well as in others, Loblaw's has sold down from its high of 118 for the year to 83. In the fiscal year ended May 331 the net profit was $4 per share.

To Open Twenty Stores

Proceeds of the sale of new stock will be used to complete equipment of the new warehouse at Fleet and Bathurst Streets, Toronto, and to finance the opening of additional stores to bring the total of new stores to twenty for the calendar year.

Northern and Eastern Ontario will be invaded by Loblaw's at once. It is known that sites have been procured in Sudbury, North Bay and Cornwall and other locations in new territory are being sought. Also, the company is about to open five additional groceterias in Toronto and three in Windsor. In both these centres the company is now strong.

37 Across Line

Loblaw Groceterias, Inc., the company organized in New York state and which this year invaded the Chicago field, now is operating 29 stores in Buffalo and vicinity and eight stores in Chicago. It is planned to open 36 additional stores in the Chicago field before Christmas.

The Buffalo stores, it is reported, do an average business of about $77,000 per week, or about half the average for the Toronto stores which have been established for a longer time. Sales in the Buffalo stores are reported to be growing at a satisfactory rate and it is believed that eventually the volume of business will be as large as in the Toronto groceterias.

It is admitted generally in the chain-store trade that Buffalo is one of the most keenly competitive points in the retailing of foodstuffs.

FOREIGN SECURITIES
We are active in all foreign issues. Ask for quotations.
Have your name placed on our mailing lists.
EUROPEAN DEBENTURE CORPORATION LTD.
132 St. James Street West, Montreal

ABITIBI
Subject to immediate acceptance we will pay cash for the following securities of Abitibi Power & Paper Co., Ltd.

Issue	Maturity	Bid Price	Approximate Yield Basis
Consolidated Mortgage 8's	1931	108.00	4.60%
First Mortgage Serial 6's	1929	101.00	3.95%
First Mortgage Serial 6's	1930	102.75	4.10%
First Mortgage Serial 6's	1931	104.50	4.10%
First Mortgage Serial 6's	1932	105.50	4.35%
First Mortgage Serial 6's	1933	106.75	4.35%
First Mortgage Serial 6's	1934	108.00	4.35%

(ACCRUED INTEREST TO BE ADDED)
Bonds may be shipped to us direct, or through your local Bank
Peabody, Houghteling & Co.
Established 1865
10 South La Salle Street, Chicago
Detroit Cleveland
Milwaukee St. Louis Minneapolis San Francisco

CANADIAN SOCIETIES HOSTS TO NATIONAL FRATERNAL CONGRESS

Fraternal Bodies Apparently Turn To "Non-Medical"

Agency Force Seen as Block to Such a Move

IDEA IS SOUND

Seven Years' Experience Shows Non-Medical Business Safe and Profitable

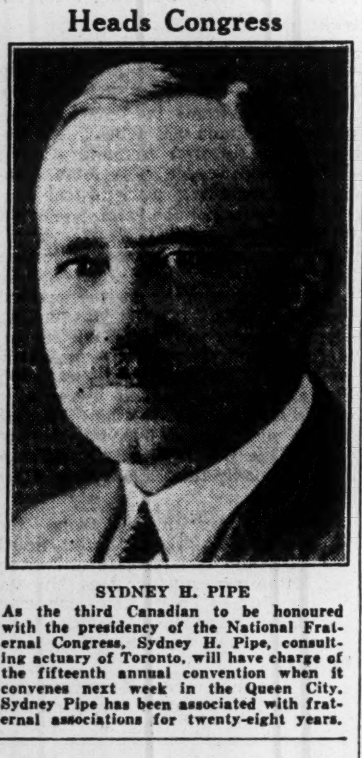
Fraternals are turning toward non-medical insurance.

When the National Fraternal Congress of America holds its annual meeting in Toronto next week, this will be the main topic on the agenda, and current indications seem to lead to the conclusion that this body which represents the American and the majority of the Canadian fraternal associations will give its approval to the writing of fraternal life insurance on a non-medical basis.

Already the Canadian Fraternal association at its annual meeting held in Hamilton at the end of May has approved the principle of non-medical insurance as far as the Canadian fraternal associations are concerned, although here the decision was a close one, the final vote being twenty to eighteen. This vote in itself is indicative of the fact that fraternal opinion is by no means unanimous on the point and that further discussion and deliberation will in all probability take place before the scheme becomes an actual part of the fraternal program.

In the meantime, however, it is of value to put down, pro and con, the various points in the discussion which is of such keen interest to fraternal association.

Heads Congress



SYDNEY H. PIPE

As the third Canadian to be honoured with the presidency of the National Fraternal Congress, Sydney H. Pipe, consulting actuary of Toronto, will have charge of the fifteenth annual convention when it convenes next week in the Queen City. Sydney Pipe has been associated with fraternal associations for twenty-eight years.

Still Fairly Young

The movement is in itself, of course, a comparatively young one having been initiated early in 1921 by a few of the leading Canadian life companies and since then having been extended not only to practically every Canadian life insurance company, but also to a majority of the American companies. During that time, however, the companies who have been writing this business are apparently most thoroughly satisfied with the results.

In this connection the closing paragraph of a paper which is prepared on the subject and given before the Actuarial Society of America by two outstanding Canadian life insurance officials is of a decided interest. The paragraph is as follows:

"Several years must yet elapse before the ultimate result of the experiment can be determined, but sufficient experience has been gained to give the strong feeling shared by all the companies that the business as now carried on is safe and profitable, that for amounts of two or three thousand dollars for ages at entry between 15 and 45, risks can be successfully selected without increasing the mortality strain of the company as a whole, that the mortality will probably continue to be within the limits of mortality expected even when based on a severe standard, that field men would object strongly if the system were discontinued and that the present trend toward extending the limits is likely to continue for some time, at least, in spite of the danger arising from the acceptance of larger amounts, and particularly the inclusion of the total and permanent disability and double indemnity accident benefits with the consequent increased incentive to fraud."

It is now over seven and a half years since the first company started writing a non-medical risk, and apparently every year serves to strengthen the belief of the Canadian companies in this type of business. There is no doubt, therefore, that from the actuarial and medical viewpoints, non-medical life insurance is feasible and is moreover both safe and profitable.

A Feasible Idea

Quite obviously any medical examination unless followed up regularly over a period of years, ceases to be of material value after a few years have elapsed. And even at best it must be remembered that the report of a medical examiner in the field covers only half of the possible ten factors that need to be considered when determining the illegibility of an applicant for life insurance.

Furthermore, it is noted that in a very large number of cases the life insurance companies have come to the conclusion that the very exhaustive form of application that must be filled out by the applicant for non-medical insurance is in many cases a more effective means of finding out the actual nature of the risk than the rather cursory examination of a physician. In other words, under the non-medical risk the contract stands or falls upon the truth of the answers made by the applicant to the various questions, and the burden is thrown upon him rather than upon the examiner who may find it extremely difficult to find out latent facts about the patient's history.

Original Limits

Of course, at first the companies were extremely wary as to the limits under which they would write this type of business. This was a fairly natural precaution, but experience has proved that the safeguards set up were probably unnecessarily restrictive. Briefly the original restrictions were as follows: First, that the amount of insurance should be limited to $1,000 with no provisions for subsequent similar applications on the same life. Second, that the applicants accepted must be within the age limits of twenty to forty-five. Third, that all applications must be submitted on the non-medical basis, with provision for the medical examination, where illness, accident, family or personal history made such an examination advisable. Fourth, an independent report from an inspector not on the company's staff required in every case.

Now Broadened

At the present time these limits have been materially broadened, the age limits having been very generally adopted at from fifteen to forty-five with one or two companies writing as high as fifty years of age. The amount of insurance that may be written non-medically now averages about between $2,500 and $3,000 with quite a number of companies writing up to $5,000 on this basis. Quite a number of companies now make distinctions under this plan as between men and women. The majority of Canadian companies will not accept married women under the non-medical plan. Three Canadian companies require a urinalysis under a non-medical policy.

An Agency Problem

Turning more particularly to the fraternals the question seems to resolve itself into one of management and agency forces. If carefully applied by a conscientious agency staff, non-medical insurance, as has already been pointed out, is quite obviously safe and profitable. On the other hand, if those who are writing the insurance for the society cannot be thoroughly trusted to do what is in the best interests of the society, then the path of non-medical plan is liable to be strewn with difficulties. In other words, it is the agent not the policy-holder that is the rub.

Non-medical insurance is based largely on the belief that it is from first-class lives that the majority of applications for life insurance originate, particularly between the years of say twenty to forty-five. Then again as has already been pointed out, the contract which the applicant for insurance signs is based upon the truth of his or her answers and there are very few policy-holders or prospective policyholders who are willing to impair their estate in the future by deliberately signing what is to all intended purposes a false document.

Agent Responsible

Thus the onus falls very largely upon the agent. He it is who questions the applicant, and who creates the atmosphere of respect or otherwise for the contract under consideration. Thus if the agent is conscientious, loyal to his company, and generally working in the best interests of the business, the result will usually be entirely satisfactory as far as producing a good type of risk is concerned.

If on the other hand, the agent is merely in the business for his immediate or hand-to-mouth commission and has not the interest of his society at heart he could in all probability without great difficulty succeed in placing a fairly considerable amount of poor business on his society's books.

A Better Buy

So far, in the history of non-medical insurance this has not been the case, and because a large percentage of their business is being written without the cost of a medical examination, the companies can offer better value for the premium dollar, and also have more scope to develop their medical selection and to focus it upon those cases which are out of the average and, therefore, are all the more important from an insurance viewpoint.

This point was stressed to a considerable degree by Dr. J. C. Hanchett at the Canadian Fraternal Association who said:

"Therefore, in a large group of young adults selected, we may save the medical examiner from the embarrassment of a hasty, unsatisfactory abbreviated examination for which he is paid what he often has reason to feel is an inadequate fee for the work required. But, if on the other hand, we could select the somewhat less than five per cent., where there is an evident impairment by some less expensive method, and in turn pay our medical examiner a fully adequate fee for these special cases, I believe we would add to the dignity of the work of our profession and find we could afford to have laboratory reports, X-rays when desired and electro-cardiographs if necessary.

"It is rather to dignify the work of the examiner than to minimize his place and importance in our selection by elimination from his duties the routine of reporting on applicants for small certificates in these younger years. I am inclined to favor non-medical selection from that class where there are few impaired lives and lay still greater stress and refinement upon the selection in the higher years where there are more frequent impairments and where our experience demonstrates our great cost before short-term death occurs."

Canadian Association Has Splendid Record

For thirty-eight years the destinies of fraternalism in Canada have been closely guided by the Canadian Fraternal Association, which held its annual meeting this year at Hamilton, Ont. The association has pioneered in practically every matter affecting fraternalism and has given wise and helpful leadership to its member societies for many, many years.

The present president of the association is F. S. Mearns, K. C., a Toronto lawyer, who has been an active fraternalist for a great many years as an official of the Sons of Scotland. The secretary-treasurer is William F. Montague, of Hamilton, who is also grand recorder-treasurer of the Canadian Order of Chosen Friends. The immediate past-president of the association is A. P. van Someren, high secretary of the Canadian Order of Foresters.

INSURANCE SEED IS OFTTIMES SOWN BY FRATERNALISM

Over 300,000 Members Form Nucleus for Life Companies

One function of fraternal insurance is that it is a good breeding ground for insurance prospects.

Covering as they do practically every part of Canada, and with a record, spreading back in some cases nearly one hundred years, fraternal institutions have given to hundreds and thousands of Canadians their first taste of the need and value of life insurance, which has time and time again ripened into substantial business not only for the fraternals themselves, but also for the regular commercial companies.

At the end of 1927 there were something like 300,000 Canadian fraternal members in Canada with insurance in force amounting to over $216,000,000. Here then is a small army of insurers who by this means has been brought into the insurance fold and are making their regular monthly or perhaps annual payments on sound, actuarial life insurance policies.

Makes Good Prospects

When these people, largely representative of the working class, are approached either to purchase additional insurance under a group plan or else additional personal insurance in one of the line companies, they will as a rule offer a ready ear to the proposal on account of the fact that their experience in the fraternal field has given them an insight into what insurance can achieve.

Then, too, there is the all-important habit of saving which is encouraged and given every opportunity to bear fruit by the fraternal policy of permitting its members to make either regular monthly or perhaps semi-annual payments. By offering insurance at the lowest possible cost, and making the attainment thereof comparatively easy, fraternals have spread the gospel of insurance—and sound insurance at that—to places where few if any of the so-called line companies have been able to penetrate.

Fairly Recent

This has all come about comparatively recently, for it has only been within the last few years that the last vestiges of the old unsound fraternal system have been wiped away, and the fraternal house set properly in order. To quote one of the outstanding exponents of fraternal insurance in this country, "The last twenty years have witnessed the development of fraternal benefit societies into a well-ordered system in which there is an intimate union of fraternity and sound life insurance. The ill-natured criticism of bygone years on the part of the exponents of commercial insurance has given place to recognition of the value of the fraternal system to life insurance generally. For through the societies, millions of men and women have been taught the need and had their first experience in insurance."

FRENCH FRATERNAL HAS FINE RECORD

Organization is Also Established in United States

Down in Montreal is the head office of La Societe des Artisans Canadiens-Francais, an exceedingly powerful and well-established fraternal society whose membership includes French-Canadian and French-American Catholics in Canada and in eight of the States of the American Union. The states in which the society operates are as follows: Massachusetts, New Hampshire, Maine, Rhode Island, Connecticut, Michigan, New York and Vermont. At the end of 1927, the society had a membership of approximately 60,000 and a total insurance in force of $45,000,000.

The Society's assets amount to $10,486,000, and during the past year, members participated in the society's surplus to the extent of one monthly premium payment. Originally organized in 1877, the society has made steady progress and has built up a thoroughly sound and solvent organization with over 630 lodges distributed throughout the two countries. Its record is one of the best of any fraternal society in Canada.

The officers are as follows: Rodolphe Bedard, president; Henri Roy, secretary and treasurer; J. A Rouleau, M.D., medical examiner; Z. Fontaine, general counsel.

Fraternal Leaders Alive to Future

Many Other Problems Press for Solution Now That Actuarial Solvency is Attained

Fraternalism has been fighting a doughty battle.

For twenty years or more it has been wrestling with the all-important problem of financial stability and now for two years the laurel of this success has lain upon its brow.

But that is not the whole story. Many societies having struggled and achieved actuarial soundness were deceived into thinking that once they attained that goal all their troubles would be at an end. They are now beginning to realize that having put their financial house in order, they must compete with highly organized institutions which are really much better equipped than themselves to offer insurance and kindred services to the public at large.

That the public are still receptive to the ideals and principles of fraternalism there seems little doubt. Look, for instance, at the tremendous growth of the so-called "service" clubs with their regular weekly luncheons—a thoroughly fraternal institution. On the other hand, it seems open to grave question, whether or not the somewhat old-fashioned rituals of the fraternal society have not had their day, and whether some adjustment is not necessary to bring a whole-hearted response from the proverbially fickle public. The public must be wooed and fraternalism will prosper only as it proves itself a successful wooer. The use of ritual, as now practised in the fraternal wooing, is therefore worthy of grave consideration.

Merger Problem

Then there is the problem of mergers. Sooner or later it seems inevitable that some of the smaller societies in Canada will be merged in some way, to bring them into line with modern methods of operation. Some of the individual units now in existence seem too small to ensure the best and most economical results in the field.

Another problem is the agency one, and success at the present time is following in the wake of those who are willing to adapt modern methods of salesmanship to the old and venerable idea of a fraternal group gathered together for mutual protection and self-help. Hand-in-hand with this problem is the one of non-medical insurance—another forward step, which if it can be successfully achieved will be a valuable arrow in the fraternal quiver. The chief stumbling block to its adoption by the whole fraternal body seems to be a doubt that the existing agency system is strong enough to carry out such a system.

In spite of all this, there is without doubt a very real confidence and enthusiasm among fraternal leaders and officials that the future is bright, and that by facing these problems in a whole-hearted way, great things may be accomplished.

Leaders Are Awake

For the first time in thirty-three years, Canada is playing the part of host to the National Fraternal Congress, which is representative of practically all the fraternal organizations on this continent. The Congress is some forty-two years old, and its deliberations should be of considerable benefit to the Canadian fraternals. Non-medical insurance and a new legislative code for the United States are the two outstanding topics slated for discussion and it is an exceedingly hopeful sign that the leaders of this Congress are most thoroughly alive to the need of fraternalism adopting modern methods to regain the glory of its colorful past.

FIFTY-FOUR YEARS OF USEFUL SERVICE CREDITED TO I.O.F.

Big Fraternal Body Covers Three Countries in Work

After fifty-four years of existence the Independent Order of Foresters, whose head office is the Temple Building at Toronto, now stands out as the most outstanding fraternal society in Canada, and also one of the first on this continent. Organized in 1874 the society now has practically $145,000,000 of insurance in force, of which $57,400,000 was placed in Canada. This is approximately one-quarter of the total amount of fraternal insurance carried by all companies operating in Canada.

The original founder was Alonzo B. Caldwell, and the original office in Newark, but in later years the head office was moved to Toronto, the association having been one of the first to foster international relations among fraternal members.

An Indian Scholar

It is interesting to note that the growth of the order in Canada is very largely due to the influence of Dr. Oronhyotekha, a full-blooded Mohawk Indian, who after graduating from the University of Toronto and Oxford University joined the order in 1878, became high chief ranger of Ontario, and at the time of the re-organization in 1881 was elected Supreme Chief Ranger. It was largely through his influence that a small society became one of the most powerful of its kind in this country.

Originally, the Independent Order of Foresters was a breaking away from the old Ancient Order of Foresters, the reason being that the new group desired to combine insurance benefits with fraternity. From 1875 to 1881 the limit was $1,000. In 1881 certificates were issued for $1,000 to $3,000 with benefits for disability and old age.

Many Policies

In 1884 the sick benefit fund of the Supreme Court was commenced. In 1896 the limit of the insurance benefit was raised to $5,000. In 1921 the order began issuing twenty-payment life certificates with cash according to value and non-forfeiture clauses and with or without disability benefits. There is also now an old-age benefit certificate with surrender values and automatic non-forfeiture under which the face of the certificate is paid on death or disability or old age. Thus through the years the order has developed its insurance benefits into four attractive forms of policies at reasonable costs and free from arbitrary restriction.

On the other side, the order has made a very practical use of its fraternalism. In 1903 it created an Orphans' Fund whereby the orphan children of members became wards of the Society. This was followed in 1911 by the huge undertaking of the erection of the Rainbow Sanitarium, where members who had contracted incipient tuberculosis might go until restored to health. In 1913 this was followed by another similar institution, the California Sanitarium, located at Lopez Canyon, near Los Angeles.

Its Toronto Office

In Toronto, the international headquarters, there has been consistent growth. Situated first at the corner of King and Bay Streets, then in the old Dominion Bank Building, the order finally moved into its present office called the Temple Building, in 1898. Cornerstone for this building was laid in 1895 by the Earl of Aberdeen, and the building, which is twelve stories in height, was for years the highest building in the British Empire. It contains 104,000 sq. ft. of space including a splendid assembly hall and four court rooms.

At the present time the order maintains a beautiful home for orphans at Oakville, Ontario, where the physical and mental development of the children is cared for.

Financially Sound

Financially the order is now in a thoroughly sound position. The total assets at the end of December, 1927, amounted to $39,108,000, of which policy reserves amounted to $36,600,000, additional reserves to $818,000 and a surplus of $1,082,000. For the last eight or ten years the order has always been more than one hundred per cent. solvent. The Society's assets are invested in thoroughly high-grade securities nearly $20,000,000 being in investments of the highest grade. There are also loans on mortgages amounting to nearly $5,000,000 and loans secured by collateral of $2,500,000,000.

Business now extends not only throughout this continent, but also through the British Isles. At the end of 1927 the order had a total of 150,418 members carrying total insurance of $175,000,000. Payments to members in their beneficiaries during 1927 amounted to $3,856,000 of which $2,293,000 was for death payments.

Effects Merger

Two years ago the Independent Order of Foresters absorbed two of the smaller fraternals, namely the Canadian Order of Home Circles and the Ancient Order of United Workmen. This move has proved entirely satisfactory, and its results are considered highly beneficial, both from the members' viewpoint and from the viewpoint of the fraternal business in Canada.

Fraternal Insurance in Canada

Here is a statistical digest of fraternalist in Canada during 1927. It is not by any means the whole picture because in every province, and more particularly Ontario and Quebec, there are a number of local fraternals and literally hundreds of benefit societies all operating more or less on the fraternal basis. For instance in Ontario alone, there are some 38 fraternals operating, in addition to 100 sick and funeral benefit societies, most of which are operated in connection with commercial or industrial establishments.

The societies listed are, however, the most important members of the fraternal body, the statistics having been compiled by the Canadian Fraternal Association which is the ruling Canadian body. It will be noted that most of the societies are Canadian, although there are altogether some 16 fraternals with headquarters in other countries, which operate in Canada. Out of the Canadian societies, four have built up a substantial business outside Canada.

Name of Society	Date of Organization	Membership, Dec. 31, 1927 (In Canada)	New Insurance 1927	Ins. Terminated 1927	Ins. Death Claims 1927	Insurance In Force 1927	Premium Income	Total Expenses	Deaths and Disability Claims Paid Since Organized	Net Assets Dec. 31, 1927
Ancient Order of Foresters	1871	4,564	$ 355,500	$ 303,659	$ 16,752	$ 3,674,574	$ 184,284	$ 36,725	....	$ [illegible]
Alliance Nationale	1893	33,811	5,295,799	3,934,010	281,864	27,940,341	1,412,408	87,903	$ 4,726.735	[illegible]
Association Canado Americaine	1897	3,329	166,550	......	23,795	2,331,770	44,505	....	....	....
Can. Order of Oddfellows	1852	2,076	194,345	133,019	29,684	1,504.714	341,050	23,176	914,679	[illegible]
Canadian Order of Foresters	1879	50,989	2,173,000	2,138,450	764,300	50,628,500	1,881,339	144,052	22,635,457	[illegible]
Catholic Mutual Benefit Association	1880	5,919	343,366	679,767	162,723	5.496,280	264,699	30,257	9,406,856	[illegible]
Catholic Order of Foresters	1883	18,220	376,000	844,022	268,950	17,320,037	473,231	20,895	8,883.966	[illegible]
Canadian Order Chosen Friends	1887	14,681	1,469,778	1,464,188	286,471	12,205.411	590,448	66,978	10,517,199	[illegible]
Independent Order of Foresters	1874	58,699	11,871,832	14,059,960	977,885	57,391,389	1,406,000	....	....	[illegible]
Knights of the Maccabees	1883	6,801	2.627,510	3,149,709	132,200	6,631,480	332,303	75.706	5,155,772	[illegible]
L'Union St. Joseph du Canada	1863	20,636	1,832,800	1,498,800	153,470	17,030,660	663,591	66,500	5,820,845	[illegible]
Grand Orange Lodge Benefit	1830	3,234	420,100	294,650	59,500	3,695,300	144,916	24,475	1,672,247	[illegible]
Oddfellows Relief Association	1874	17,874	1,032.500	1,086,431	338,847	19,814,395	756,189	24 624	8.482,887	[illegible]
Royal Templars of Temperance	1874	2,361	460,500	335,000	68,000	8,195,233	169,857	33,895	3,863,216	[illegible]
Royal Arcanum	1877	2,890	388,500	627,500	112,500	4,270.990	159,337	124,916	6,387,497	[illegible]
Sons of Scotland	1876	6.448	675,798	540,015	58.605	4,041,368	160.470	35,359	1,974,761	[illegible]
Société des Artisans Can. Fr.	1877	38,891	1,781,603	1,450,425	368 806	29,633,962	1,098,322	134,743	7,247,851	[illegible]
Sons of England	1884	1,428	38,250	59,825	40,110	1,238,715	67,763	3,944	1,588,981	[illegible]
Woman's Benefit Association	1892	2,785	261,350	324,602	13,000	2,262,458	59,571	4.396	241.009	[illegible]
Woodmen of the World	1893	6,411	448,570	369,631	98,723	5.838,708	232,662	35,661	2,723,482	[illegible]
Totals		302,062	$32,047,110	$33,293,663	$4,232,330	....	$8,992,440	$974,205	$102,343,440	$[illegible]

C.O.F. INTRODUCES A NOVEL POLICY

Family Protection Policy Lasts Ten Years After Death

A rather unique insurance plan has been brought out recently by the Canadian Order of Foresters with head office at Brantford Ontario. The plan is called the "family protection policy," and offers the man's estate protection for the ten years following his death.

The face value of the policy is approximately $3,650 and the cost varies from $25 to $75 per year depending upon the age of the applicant. For instance, for age 24 the cost would be $30 a year payable monthly and operated on a thirty-year period. That is to say, the payments will be made for a period of thirty years at the rate of $30 per year and at any time before or after that period the widow or children will receive an annuity equivalent to $1 per day for ten years.

The plan is somewhat novel in Canada and was introduced by the Canadian Order of Foresters a short time ago, and has since been written by them with considerable success.

THE CANADIAN WOODMEN OF THE WORLD

A MILLIONAIRE SOCIETY

ASSETS $1,653,000.00

PAID IN BENEFITS NEARLY $3,000,000.00

SPECIAL FEATURES

Whole Life
20 Pay Life
20 Year Term
Double Benefit
Endowment at 65

Sick and Accident Insurance
Juvenile Insurance
Funeral Benefits
Policies issued in amounts from $500 to $5,000

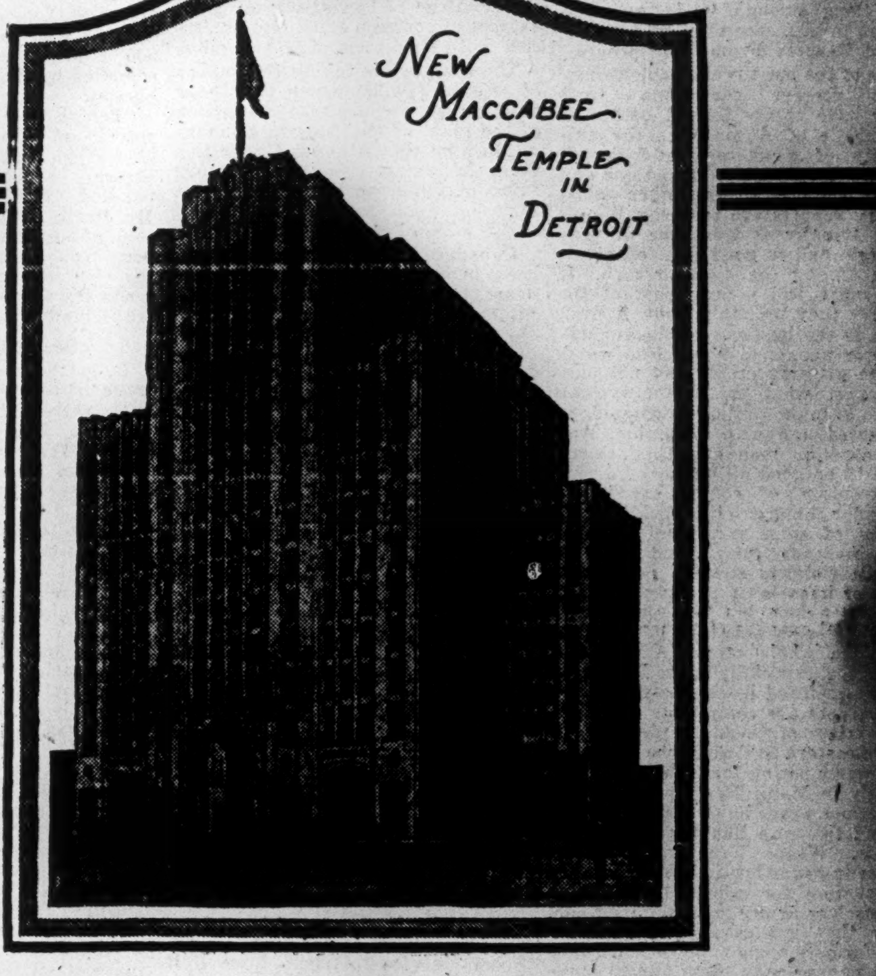
CLEAR SURPLUS OVER ALL LIABILITIES OF NEARLY $300,000.00

ALL POLICIES BEAR THE SEAL OF ACTUARIAL APPROVAL

The Society with a Great Past - The Society with a Greater Future

Head Office

Woodmen Building - - - - - - London, Canada
P. C. Hooper, Head Clerk — Clair Jarvis, Head Consul



THE MACCABEES

DETROIT, MICH.

FOUNDED 1878

STATEMENT, DECEMBER 31, 1927

ASSETS

Real Estate	$ 2,635,787
First Mortgages on Real Estate (Property worth over twice the loans)	12,490,986
Government and Municipal Bonds (Market Value)	20,599,059
Cash and Bank Deposits	184,682
In Course of Collection and Other Assets	1,521,671
Total Admitted Assets	$37,432,185

LIABILITIES

Reserve for Current Claims	$ 541,348
Legal Reserve American Experience 3½%	30,009,386
Reserve for Mortality Fluctuations	2,000,000
Investment Contingency Reserve	774,213
Refunds Payable to Members in next year	976,358
Unassigned Funds:	
Life Benefit Department	1,035,062
Sick and Accident Department	975,675
Relief Department	1,025,092
Other Departments	95,051
Total Liabilities, special reserves and contingency funds	$37,432,185

Rate of Interest Earned During 1927	5.5%
Insurance in Force December 31, 1927	$209,775,892
Benefits Paid Since Organization	164,284,439
Membership December 31, 1927	216,127
Local Branches	4,263
Net Gain in Assets 1927	3,436,988

Admits through separate branches men, women and children at ages from birth to 60 years.

New Members Admitted During 1927	26,184
Insurance Written During 1927	$30,191,520
Number of Death Claims Paid During 1927	3,929
Benefits Paid During 1927	$5,245,857
3,655 Sickness and Accident Claims, 1927	$136,829
1,273 Special Relief Claims, 1927	83,275
Dividends Paid, 1927	749,500

Operates through the Lodge System.
Writes every form of life insurance upon Legal Reserve.
American Experience 3½% table.
Maintains full legal reserve on all insurance certificates. All certificates on participating plan. Amounts from $1,000 to $25,000 on single life.

SPECIAL FEATURES

Social fraternal features through 4,263 lodges.
Maintains homes for old and indigent members.
Hospital beds for women and children.
Sanitorium treatment for tuberculars.
Special relief funds for unfortunates.
Relief Funds now over $1,700,000.
Splendid Sickness and Accident Department with over $1,000,000 in reserve.
Specific benefits for loss of hand, foot or eye.
One-half face of certificate for permanent and total disability.
Income Disability, Double Indemnity and Old Age Benefits.

FRATERNAL INSURANCE GAINS AS FINANCIAL STABILITY IS WON

THINKS SOLUTION OF NON-MEDICALS LIES WITH AGENTS

Improvement of Status Thought Essential to Selective Change

"Non-medical insurance would not be to the advantage of any fraternal insurance society, until the class of deputy or agent which can be secured has been very much improved," says Dr. Ashton Fletcher, secretary of the medical board of Independent Order of Foresters. Dr. Fletcher opposed the motion regarding non-medical risks which was the main item of discussion at the last annual meeting of the Canadian Fraternal Association. His views on this subject which is now the central topic of interest among fraternal societies and which will be deliberated next week when the National Fraternal Congress meets in Toronto, are of interest to those who have followed the growth of non-medical business during the past seven years.

"It is quite true that most of the fears concerning non-medical practise which were first voiced have not been realized. The attitude of the medical profession has been inactive and does not appear to be particularly concerned and where called upon to make an examination it does not appear that they have given any less efficient service."

Effect Short Lived

"I think we recognize the fact that selection by medical examination ceases to be beneficial to the company or society two years after such examination. It seems to me to be much more important for the examined policyholder to have the advantage of periodical examination than one who has been accepted on examination. The company has had, in the latter instance, an opportunity of discovering conditions which, without examination, have been accepted, and the company committed; and anything that can be done, therefore, to prolong the life of that policyholder is wise and warranted."

"In spite of the fact that non-medical insurance of old line companies has not shown any increase in mortality rate above that experienced by examination I cannot close my eyes to the fact that there are a large number of heart conditions included in that non-medical insurance which will produce an increase in death rate between ten and twenty years after acceptance and as with the heart, so with other organs, especially the kidneys.

Restricts Age

"One must remember that the age is limited in non-medical to at least ten years younger than acceptable by examination, and I think it must be conceded that the later in life the risk is accepted by medical examination the greater is the benefit and the more lasting the selection, so that there should be a better chance of these older risks living out the expectation and the best business should, therefore, be secured between the age of 45 and 54.

"In a fraternal society the local branches provide, in the majority of cases, for free medical attention by the local physician, who is also, and should be, the local examiner for such society. I do not believe that any great percentage of the medical profession is dishonest and I believe we get reliable examination reports, especially in those cases where the examining physician is also the local medical attendant of the members in that branch. He will not likely pile up work for himself, even to favor the officers of that local branch, or the agent or deputy, by recommending and accepting a risk that is going to make heavy demands upon his time in the way of free treatment. Moreover, the local branch can be fairly well trusted to select as their medical attendant some one who has a reputation in that locality of being a good physician.

Agents Hold Key

"Only the agents who are tried and trusted can write this business. They must have knowledge in underwriting principles and of morbidity and mortality problems, some general knowledge of questions of hygiene, racial tendencies, habits, occupation, environment, height, weight and build, etc.; in other words, must have some knowledge of the results of statistical investigation. In a fraternal society, where are you going to find such men and how are you going to pay them? This is, to my mind, the great obstacle in the adoption of non-medical insurance by fraternal organizations.

"I grant that there are some agents or deputies who might be permitted to write such business but not all of the deputies could be so trusted and a considerable proportion of work is done and business obtained by part-time agents who employ their spare moments in this work, upon commission, and this is, to my mind, a very disturbing element. Even some of the full-time agents are utterly incapable of writing such business intelligently, not from lack of sincerity of purpose but from lack of experience, education and ability to learn the principles upon which such business is founded.

"I am therefore of the opinion that non-medical insurance would not be of advantage to any fraternal society:

"1. Until the class of deputy or agent which can be secured has been very much improved.

"2. Until the society is prepared to pay that deputy a living wage with renewals to take care of him in the future, and I think the deputy, where inspection report is unfavorable, should understand that he will be charged with the examination fee.

"3. Until the deputy can receive proper instructions in the operation of non-medical business, the principles of life underwriting, and has shown his ability to sell insurance.

"4. Until the society can, and does, establish a training school where deputies can receive instruction in underwriting principles.

"5. Until time, sufficient, has elapsed to develop reliable statistics as to the mortality rate in such non-medical business as has been accepted between 40 and 45 as to the incidents of deaths from heart conditions, apoplexy, arterio sclerosis, glycosuria and kidney conditions which have not yet had time to reach the summit of occurrence."

Woodmen Will Distribute Big Bonus at Year End

At the recent legislative session of the head camp of the Canadian Woodmen of the World, amendments to the by-laws were enacted eliminating the word assessment and the power of the executive council to levy assessments on the membership. This means the order is non-assessable.

Woodmen of the World intends to distribute a bonus of increased insurance to its members at the end of the year. By-laws were amended giving the executive power to distribute such a bonus. About $150,000 of the order's excess surplus will be so distributed at the end of the present year.

Canadian Fraternals Abroad

Four of the leading Canadian fraternals have ventured outside the Dominion for their membership, and at the end of last year, as the statistics show, they recorded a total membership abroad of 115,730, with insurance in force amounting to over $105,000,000. The major portion of this belongs, of course, to the Independent Order of Foresters, who have been exceptionally successful in building up membership both in the United States and in Great Britain.

	Membership (1927) In Canada	Elsewhere	Total	Life Insurance in Force (1927) In Canada	Elsewhere	Total
Alliance Nationale ...	32,090	3,039	35,129	$29,710,262	$2,584,391	$30,294,653
Artisans Can.-Francais	38,891	20,339	59,230	29,639,962	14,873,312	44,513,274
Independent Order of Foresters	58,099	92,319	150,418	57,391,389	87,531,264	144,922,653
Grand Orange Lodge	3,201	33	3,234	3,622,300	33,000	3,695,300
Totals	132,281	115,730	248,011	$118,463,913	$105,021,967	$223,485,880

Many Novel Features of Fraternal Contract Attract Business Men

Sound Insurance on Fraternal Plan Broadens Scope

STILL OPEN CONTRACT

Liability to Assessment, Though Remote, Must Not be Overlooked

What Does Fraternal Insurance Offer to the Business Man?

This question has been asked many times in the last few years as fraternal insurance, practised under modern conditions and embodying a sound life insurance contract, has gradually broadened its scope to appeal to almost every type of man in a community.

Broadly speaking, there are perhaps half-a-dozen reasons why the fraternal idea should appeal to the so-called business man, and indeed many fraternal societies are now finding it very profitable to tell their story to business men.

In the first place modern fraternalism offers protection at literally pure cost. There are no investment features in the contract and for those who are looking for pure protection combined with participating features proportionate to the experience of the society, the fraternal contract is worthy of consideration.

Then again, there is no need to restrict one's purchase in fraternal fields. Most modern societies are offering practically all the important types of contracts such as straight life, twenty-pay life, endowment insurance and special protective clauses which give adequate choice as far as type of contract is concerned. Of course, as already stated, these are all written on a basis of pure protection, without any investment feature, but at the present time when many business men are turning more than ever to the purely protective contract this is a factor decidedly in favor of the fraternal field.

Straight Protection

For instance, one of the old-established life insurance companies recently sent a circular to a large list of business men to which was attached the following announcement, "A business man once said: 'Why doesn't some strong old line life insurance company get out a low rate life insurance policy strictly for protection to a man's family or business leaving out frills, ...'"

This is virtually what a fraternal life insurance contract offers. And if the business man desires to round out his present holdings by adding an additional $5,000 or $10,000, the fraternal contract will in very many cases be found admirable for this purpose.

Sound Fraternalism

Combined with this idea of sound life insurance protection, there is, of course, the basic idea of fraternalism. Nowadays this also is being directed along lines which offer material attraction to business men and some features offered by these fraternal societies are well worth noting. For instance, in one of the largest Canadian orders, there is maintained an exceedingly competent and thorough service for advising their members along the lines of financial counsel. Here a member can with an assurance bring his investment problem and obtain advice and assistance from men thoroughly competent to provide this service. In this way considerable money is directed into sound investment channels and the possibilities of reckless and speculative purchases materially reduced.

Service Club

Another feature is in the form of a weekly dinner club formed among a few members of one of the outstanding fraternal societies. This organization, which is known as the Million Dollar Club, comprises a substantial number of well-to-do men and young men, the only basis of membership being that each man must carry at least $5,000 of insurance in the society through which it is fostered.

Fraternal Stalwart

WILLIAM F. MONTAGUE

As Grand Recorder-Treasurer of the Canadian Order of Chosen Friends and secretary-treasurer of the Canadian Fraternal Association, W. F. Montague has been a faithful servant of fraternalism in Canada for over thirty years. The society with which he has been associated for so many years has shown marked progress of late, and has at the present time a membership of over 15,000.

This policy holders' club is making very material progress, and in addition to thoroughly enjoyable meetings which are graced by speakers on every phase of Canadian life, the Club devotes its energy along philanthropic lines.

Free Surgery

Yet another feature of a modern fraternalism, is the inception of such schemes as the free surgical benefits, which have lately been inaugurated by the I.O.F. This is a somewhat radical departure for even a fraternal order, but already it is proving fairly successful and of immense benefit to the membership. The value of such a plan is particularly important to young men who are married and have a family responsibility and who are overtaken with the need for surgical attention. The plan offers the best possible attention, and the cost being of course met by the society.

Needless to say the fraternal idea is probably as old and well founded as any idea in modern society. Add to this attractive features of a low-cost life insurance contract and there is an appeal to practically all types of society.

An Open Contract

Of course, it must be remembered that the fraternal contract is what is called an open one. That is to say there is liability for assessment. If the fraternal societies in Canada were not in a sound position this would in itself make fraternalism unattractive to the average business man. As it is, however, the societies operating to-day in Canada are actuarially sound and not only are they improving their position year by year, but they are also in the majority of cases returning substantial premiums to their policy holders. The laws under which they operate in Canada are sound, supervision is of the best, and their proportion is therefore of distinct interest to Canadian business men.

GAS OUTPUT UP

OTTAWA.—Products and by-products of artificial gas plants in Canada during 1927 were valued at $18,725,869 or an increase of 3 per cent. over 1926. There are forty-two plants, distributed as follows: Nova Scotia, 1; New Brunswick, 2; Quebec, 4; Ontario, 20; Manitoba, 8; Saskatchewan, 2; Alberta, 1, and British Columbia, 4. Capital invested amounts to $58,931,873 and salaries and wages of 3,492 employees $4,750,581.

NATIONAL MEET WILL DELIBERATE ON FRATERNALS

Four-Day Session in Toronto Has Important Agenda

Although the National Fraternal Congress has been in existence for some forty-two years, the practice of holding an annual convention only came into being fifteen years ago. The fifteenth congress which meets in Toronto next week is the first of its kind to be held in Canada, the congress not having assembled in this country for thirty-three years.

Probably the chief reason for turning towards Canada at this time is the fact that Sydney H. Pipe—an ardent fraternalist of some twenty-eight years standing—is this year president of the congress. He is the third Canadian to be so honored.

As to the congress itself, it will last approximately four days—practically all of which time will be devoted to round table discussion. The congress covers a membership of over five million, through its constituent societies, which reach across Canada, England and the United States.

Broadly speaking the two main topics up for discussion are non-medical insurance and the new legislative code which has been prepared by a special committee, and which, if adopted, will provide a common basis for legislative enactment throughout the various states of America. Some of the detailed subjects outlined, and in addition to these two topics are as follows:

"Interesting Facts About Our Fraternal Homes," —a discussion led by Geo. A. Bailey, G. A. H. Ricko and Miss Bina M. West.

"What are the Insurance Benefits Best Suited to Fraternal Societies?"

"How We Handle Our Juvenile Work," by Mrs. M. E. La Rocca.

"Successful Steps in Successful Selling," by Mansur B. Oakes.

"Responsibility, Field Work, Expense Loading and Co-operation," by A. W. Frye.

"Am I My Brother's Keeper?" by Hill Montague.

"Fraternal Juvenile Insurance in Canada," by W. F. Montague.

"Juvenile Protection Among the French Societies," by Henri Roy.

"Features of the Fraternal Junior Benefit as Compared with the Old Line," by W. T. Eldridge.

"Personnel in Field and Office," by Fred A. Johnson.

"Associations as Mediums for Developing the Science of Office Organization and Management," by F. L. Rowland.

MORE SHOES PRODUCED

OTTAWA.—A total of 1,739,697 pairs of footwear were produced in Canadian factories in June, 178 factories reporting. This represents an increase of 42,438 pairs over May and 126,906 pairs over June, 1927. The six months' production was 10,244,097 pairs compared with 9,489,113 pairs for the same half year in 1927.

FRATERNALS MEET ON CANADIAN SOIL IN 1928 CONVENTION

(Continued from page 11)

people exceeds six and one-half billions of dollars.

Exhibit on Welfare

In connection with the meeting this year, President Pipe has arranged for an exhibit of the welfare activities of the several societies which, in addition to an active lodge system and sound insurance protection on the lives of the members, teaches fraternity, cares for the sick, supervises the health of the members, builds homes for the aged and orphaned, sanitariums for the tubercular, and renders hospital and nurses' care for the needy. The display of these fraternal services by the societies is anticipated to be one of the high lights of the session.

The 1928 officers of the congress are: Sidney H. Pipe, president, Toronto, (Independent Order of Foresters); E. J. Dunn, vice-president, Chicago, (Loyal American Life Association); T. F. McDonald, secretary-treasurer, Chicago, (Catholic Order of Foresters). Executive committee members are, J. C. Snyder, Crawfordsville, Ind., (Supreme Tribe of Ben Hur), Miss Mary L. Downes, Chicago, (Women's Catholic Order of Foresters), E. C. Lafean, Jr., Pittsburg, Pa., (Junior Order United American Mechanics), Geo. R. Allen, Kansas City, Kansas, (Fraternal Aid Union), Mrs. Frances C. Jakabcin, Reading, Pa., (First Catholic Slovak Ladies' Union of the U.S.A.), Hon. Tom L. McCullough, Dallas, Texas, (The Praetorians).

Miss Frances R. Leahy, Chicago, is the executive secretary of the congress, and is in charge of the national headquarters office in Chicago.

Vice-President

E. J. DUNN,

Chicago, Ill., vice-president of the National Fraternal Congress of America which meets in Toronto next week.

SOUTH'N ALBERTA SEES THIS SEASON ITS LARGEST CROP

Forty Million Bushels Talked of by Local Experts

From Our Own Correspondent

LETHBRIDGE. — The Southern Alberta harvest is now on and as the harvesters take the field it looks like the biggest crop this large wheat-growing area ever produced. There has been some hail damage but losses are light in comparison to the extensive areas that will give a normal or better crop.

While it is always a risky venture to predict, grain men, rail officials and others close to the situation are talking of forty million bushel crop. This does not seem too high in view of the heavy stands now rapidly ripening. The grades will also be better than last year providing the country is favored with good harvest weather and at this writing the weather is perfect. Last season not more than 100 cars shipped from this region graded No. 1, this year no fewer than 500 cars ought to grade No. 1.

Crop Is Much Earlier

The crop is easily two weeks earlier than last year and all the work is coming on with a rush. The rye harvest is over, grain averaging No. 2 in grade and around 12 bushels to the acre. Fall wheat is now being harvested, some of it with combines and both the yield and grade are good. Crops run all the way from 25 to 40 bushels. There is considerable fall wheat being planted on well-prepared land and this operation will continue to the first of September as C. S. Noble and other authorities claim that this date is not too late.

The crop now being garnered is the greatest ever grown in Southern Alberta. The acreage to wheat, 1,700,000 acres, is the largest ever seeded. Farmers were able to seed this large area by reason of the general use of tractors with the resultant breaking up of sod held for pasture on older farms while in Southeastern Alberta—at one time called the "dry belt"—there has been probably double the acreage seeded as compared with 1927. And crops in that doubtful section are among the best in the province. Surely, Southeastern Alberta is coming back strongly and will produce millions in new farm wealth this season.

Demand For Combines

Farmers are likely to bin a lot of grain this year as there is bound to be a rush in delivery all along the line. A blockade would not be surprising. Combine harvesters will be in general use this fall, dealers having difficulty supplying the demand. There will be 500 combines used south of Calgary. Champion district, north of this city, will take delivery of 50 alone. Quite a number of farmers are now swathing their winter wheat. The swather is advantageous because it enables the farmer to get his grain a week or ten days earlier than with the combine as the swather merely cut off the heads, leaving them to dry in the "swath." This drying period also enables the green kernels to ripen so that in a week when the combine pick-up and thresher comes along it is in perfect shape for delivery at the elevator. No drying is necessary. The swather will not be used, of course, after the grain has uniformly ripened.

Winter Improved Wheat!

Grain swathed last fall on a farm at Carmangay laid out all winter. This spring it was threshed with a "pick-up-thresher" machine and graded one grade better than wheat from the same field graded last fall. Further, there was less loss by shelling and from mice inroads than was the case with wheat lying out in the stook.

Tractors, combines and trucks will be used largely in the harvest this fall and will cut down the demand for labor during that period. Despite this it is estimated that 2,000 harvesters will be needed in the Lethbridge zone. Farmers are now bringing men freely.

Gigantic Apartments Planned in Montreal

From Our Own Correspondent

MONTREAL. — Yet another large apartment project is planned for Montreal. Doubtless the undertaking will be financed by an issue of real estate mortgage bonds—a type of security with which the public has become well acquainted due to the extensive building operations of late years.

The new Montreal apartment house will be 20 stories in height and will cost several millions to erect. It will be located between the Chateau Apartments and the Acadia Apartments, both of which are well known to investors through their bond issues. It is said, that work on the new structure will commence this autumn.

Nation's Commerce

Activities of Canadian Chamber of Commerce from Coast to Coast

From Our Own Correspondent

MONTREAL.—In addition to its function as a central office of the various Canadian Boards of Trade, the Canadian Chamber of Commerce is more and more getting into its stride as a clearing house where valuable commercial intelligence is promulgated to all sections of the Dominion. One field of the Chamber's activities lies in the export and import field; weekly the executive offices of the Chamber report that export and import enquiries are increasing in numbers.

This week, W. M. Birks, president, and W. McL. Clarke, secretary of the Chamber, attended the convention of the Associated Boards of Trade of Prince Edward Island which was held at Charlottetown on August 16.

The activities of the Boards throughout the Dominion are increasing. The Montreal Board of Trade has undertaken a valuable bit of work in arranging a conference with the Overseas Delegation of the Empire Parliamentary Association. Virtually all sections of the Empire are represented in the delegation. The conference has been arranged to exchange views on Empire marketing problems. The discussion will be opened by an outline of the Empire Marketing Board's work and the work of the Imperial Economic Committee.

The Canadian Chamber of Commerce is steadily increasing its membership. A new affiliation this week was the Terrace and District Board of Trade of British Columbia.

The Canadian Chamber of Commerce of Boston has for some time been steadily filling a long felt want in that city by working in the interests of the best commercial and neighborly relations between Canada and the U.S. The Boston Canadian Chamber of Commerce operates under the sponsorship of no government or special interests. The Canadian Chamber of Boston is not a member board of the Canadian Chamber of Commerce; it is a member of the U. S. Chamber of Commerce.

The Chamber came into being, to quote from its charter, "To promote the common interests of Canada and the United States of America in commerce, industry and mutual friendly feelings; to gather, to preserve and to disseminate commercial and other appropriate information for their common and mutual benefit; and to promote just and equitable principles in trade and other enterprises."

The organization at Boston came into being at the instigation of prominent men in the city. The moving spirit in the undertaking is its present executive secretary, J. Calder Gordon—or more correctly, Sir John Gordon, if he cared to use his title.

In his youth, Mr. Gordon lived in Canada and at one time was employed by the late Timothy Eaton, when his organization consisted of only a score of employees. Later, Mr. Gordon moved to Boston where he became a prominent business man, journalist and publicist and has consistently taken a leading part in all matters of interest to the British colony in Boston. Mr. Gordon has rendered important services to Canada by his enthusiastic and timely advocacy of the opportunities offered industrially, commercially and agriculturally in the Dominion. Many times has be appeared before the Massachusetts legislature on behalf of the best interests of the land of his youth.

Mr. Gordon has attracted to the support of the Canadian Chamber, men of the calibre of former governor Eugene Foss of Massachusetts, a leading industrialist of New England. Mr. Foss is one of the directors of the Chamber.

Some of the work of the Canadian Chamber in Boston during the coming year will include the formation of a closer liaison with all sections of the Dominion. It is intended to appoint a vice-president in each section. Those at present occupying this position are Colonel W. G. MacKendrick of Toronto, W. H. Wood of London, and A. M. Dollar of Vancouver, and Nelson Rathenbury of Charlottetown. Shortly, a larger Canadian memberhship in the Boston organization will be accepted.

This voluntary work of service for Canada is centred at the Chamber's office at 8 Deacon Street, Boston. Ultimately it is the intention of the Boston Chamber to establish branches in other large commercial centres of the United States.

Imperial Tobacco Has Not Announced Rights

Special Correspondence

MONTREAL.—At the special shareholders' meeting of the Imperial Tobacco Company, the authorized capitalization was increased by 3,000,000 shares, but the management gave no indication of how and when some of these shares will be issued to the shareholders. At the meeting, the shareholders were informed that the directors had not passed any plan to increase the outstanding capital stock and that the increase in the authorized capital had been carried out to meet future needs of the company. Some financing, though, is expected shortly.

The stock certificates of Imperial Tobacco are now transferable and negotiable. Formerly, following the British practice, the scrip could not be transferred except through the transfer books of the company. The change has been made to conform to a practice which has been found more suitable in this country.

"41 Years of Successful Progress"

1887 — 1928

Progressive Fraternalism

New Head Office
Home at Hamilton

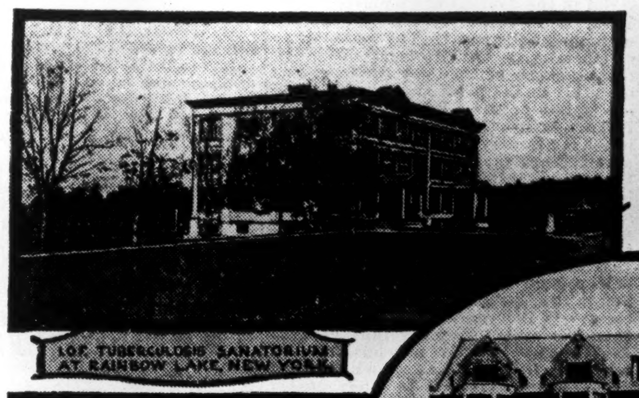
Insuring Men, Women and Children
Whole Life—
Twenty Pay Life—
Endowment at 65—
Adequate Rates—105 per cent. Solvent
Membership 15,000
Assets over $1,700,000

For Further Information Apply to
J. L. Archer, Grand Councillor, 15 Thorburn Ave., Toronto, Ont.
Wm. F. Montague, Grand Recorder-Treasurer, Hamilton, Ont.

The Canadian Order of Chosen Friends

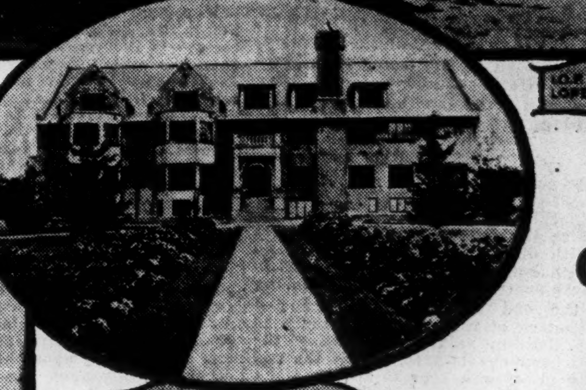
Head Office: HAMILTON

THE INDEPENDENT ORDER OF FORESTERS



I.O.F. TUBERCULOSIS SANATORIUM AT RAINBOW LAKE, NEW YORK.

I.O.F. TUBERCULOSIS SANATORIUM AT LOPEZ CANYON, LOS ANGELES COUNTY, CALIFORNIA.



HOME FOR CHILDREN OF DECEASED FORESTERS AT OAKVILLE, ONTARIO, CAN.

I.O.F. TEMPLE HEAD OFFICE AND PROPERTY OF THE ORDER AT TORONTO, CAN. ERECTED IN 1895.

Organized 1874

Total Benefits Paid Since Organization

95 Million Dollars

THE great International Fraternal Insurance Society. Organized in 1874. Operating on a reserve basis, approved by the Insurance Department of the Dominion of Canada, and the Insurance Departments of the United States.

The Society issues to men and women Twenty Payment Life, Twenty Year Endowment, Whole Family Protection, Old Age Benefit Certificate, Whole Life Certificate, Health and Accident and Juvenile Policies.

FRATERNAL FEATURES — Home at Oakville, Ontario, for children of deceased members. Sanatoria for the treatment without charge of members affected with incipient Tuberculosis, at Rainbow Lake, New York, and at Lopez Canyon, Los Angeles County, California.

A System of Free Surgical Attendance is in operation in many jurisdictions.

Benevolent Fund for aged Foresters.

Medical attendance in most of the Courts.

GEO. E. BAILEY, Supreme Secretary
FRANK E. HAND, Supreme Vice Chief Ranger
ALEX. STEWART, Supreme Treasurer
W. H. HUNTER, Supreme Chief Ranger

Head Office: TORONTO, CANADA

Insurance for Buyer and Seller

Open Form of Contract is Still Part and Parcel of Fraternal Insurance

But Government Does Good Job in Maintaining Solvency

PROGRESS WAS SLOW

Two Decades Necessary to Clean Fraternal Household of Unsound Practices

Fraternal insurance is an open contract.

This is the foundation of fraternal insurance and should not be lost sight of when any comparison is being made between this form of protection and that offered by any of the regular line companies.

Under ordinary circumstances this feature is rendered innocuous by the prevailing Canadian legislation which under the Ontario law for instance, provides that, "the liabilities of a member under his contract shall at any date be limited to the assessments, fees and dues which become payable within the preceding twelve months——."

This, though, is not the whole story, for in the same act, governing the operation of fraternals in Ontario we find the ruling that, "In the event of an epidemic or other unforeseen contingency impairing the funds of a society, the governing executive authority of the society may impose a special assessment upon the members of the society or upon such class or classes thereof, and with such incidence as is in the opinion of the governing executive authority is deemed necessary and equitable. Such special assessment or assessment shall be binding on the members of the society notwithstanding anything to the contrary in its act or instrument of incorporation or its constitution and laws, or in any certificate of insurance issued by the society."

What then is there that makes the fraternal insurance policy attractive in spite of this liability in the shape of assessment that must at all times press upon each individual member?

Strict Supervision

Nothing more or less than the stern and watchful eye of the governmental parent which in the last few years has whipped the fraternal body in Canada into an actuarially sound position and insists that any fraternal operating in Canada must keep its financial house in first-class condition and must at all times be able to show a thoroughly solvent position.

This then is the status of fraternalism which has been achieved only after many years of troublous and turbulent times. The old idea of cut-rate protection on a hit-or-miss basis without any particular regard to actuarial soundness, is a thing of the past.

It is now nearly a decade since the leading fraternal organizations started to climb the thorny path to financial soundness and the period has been one of struggle for virtually all the societies.

The I. O. F. Case

For instance it was in 1908 that the Independent Order of Foresters made its initial adjustment in rates in order to bring premium income into line with sound actuarial requirements. After that year, all who entered the order were charged on the new basis which was nearly double the old schedule. Those who already composed the membership refused to pay the higher assessment, with the result that a compromise was made and the higher rate was charged against the policies of the members instead of being collected as extra dues. Further adjustments were necessary, the last of which was in the year 1913, but still the old members had to be appeased, and further concessions were made by additional levies on the cash value of the policies. Finally in 1926, the executive of the society decided that the time had come to call a halt with the result that a definite plan of exchange was enforced which made it compulsory for these old policies to be dropped.

Two alternatives were offered to the members thus affected. The first was that the old policies should be exchanged for new policies of about one-third of the face value of the old; the second allowed members to only reduce their insurance to two-thirds of the face value, and to make up the difference by paying higher premiums. This new plan came into effect in 1926 and has definitely closed the door on the old scheme of things which proved so disastrous to the societies.

A Typical Experience

This experience is probably typical of what has been happening in practically every fraternal for the past ten or fifteen years, and it was only in 1925 that Ontario wrote "finis" across the pages of the last fraternal to toe the actuarial line. To-day, therefore, the stage is set for better things and judging by current reports from fraternal officials, the various societies operating either under Dominion or provincial charters, are looking forward to steady progress and growth in their particular field.

To return to the open contract, which is still fundamental even under the new scheme of things. The final answer lies of course in management. A carefully operated insurance proposition that practises careful selection and maintains an actuarially sound rate structure, is well on the way to financial success. This applies just as truly to fraternals as it does to regular life companies.

As far as the policyholder is concerned, there is the element of risk in that there is always a possibility under unforeseen circumstances, of an assessment, but in the meantime the insured shares under the fraternal bond, in an insurance contract that offers protection at virtually its actual cost.

There is one other factor of "safety" that is perhaps worth mentioning and that is the fact that the amount which a fraternal society can carry on any one risk is definitely limited by law. In Ontario the limit is $5,000, which is the average limit, although one American fraternal operating in Canada under a Dominion license writes policies up to and including $10,000. So the possibility of a heavy commitment in any one direction is removed and the fraternal experience resolves itself into a large volume of small risks, mostly for $1,000 or thereabouts, which give thoroughly average conditions to contend with as far as actuarial conditions are concerned, and thus considerably curtail the possibility of catastrophe.

Urges Fraternals to Shift Efforts

As chairman of the medical section of the Canadian Fraternal Association, Dr. J. C. Hanchett, chief medical officer of the Maccabees, was one of the leaders in the recent discussion on non-medical insurance that took place at the last annual meeting of the association. In the article reproduced herewith, Dr. Hanchett analyses a small group of short term deaths as between medical and non-medical selection. He makes the point that in both these groups, 60 per cent. of early deaths were from unpredictable causes, and therefore beyond the realm of a medical selection.

He urges that it would be in the best interests of fraternalism to concentrate selective efforts on impaired and older risks, rather than to attempt to continue a hasty and imperfect examination of every applicant.

EARLY HISTORY OF MACCABEES WAS CANADIAN

This Fraternal Order Had Its Beginning in London, Ontario

Although not by any means the oldest of the fraternal organizations, the Maccabees—Knights of the Maccabees to be exact—is now one of the strongest and largest orders on this continent. Founded originally in 1878, in London, Ontario, the order was reorganized a few years later on the other side of the border and now has its head office at Detroit, Michigan.

To-day its membership is something over 200,000 and the amount of business in force stands at about $210,000,000. Of this 6,631,000 is held among Canadian members of which there are 6,801.

Ever since the inception of the order, the Maccabees have pioneered in the matter of progressive legislation and were the first fraternal association to adopt an adequate rate system, on an actuarially sound plane, and adjusted so that each member might pay his proper share all the time.

The laws of the society provide for two classes of members. There are benefit members and social members. A social member carries neither life benefits nor sick and accident benefits.

The order offers no less than six different forms of certificate to its life benefit members and any member may be insured with the order up to and including $10,000. Certificates are issued for $500, $1,000, $1,500, $2,000, $2,500, $3,000, $4,000 $5,000 and $10,000 on each of the different plans. The certificates are as follows: ordinary life (with or without disability or double indemnity clauses); life paid up at age 70; twenty-pay life; twenty-pay endowment at age 70; continuous premium endowment at age 70; and term plan.

Installment Option

Any one of the plans written by the Maccabees carry the alternative of an installment settlement option instead of a lump sum cash payment. That is to say, the Maccabees will pay, if the member so elects during his lifetime, or if the beneficiary so elects at the death of the member, benefits in a series of monthly payments in lieu of the single payment.

Some idea of the scope of a Maccabees life insurance contract may be gained from the following analysis of an ordinary life policy at age 35.

A Typical Plan

Cost—per annum	$23.65
Semi-annually	12.10
Monthly	2.05
With disability (per annum)	$25.95
With double indemnity	25.40
With both	27.70

Cash surrender values.—Commencing at the end of the third year and amounting at the end of the tenth to $106. Paid-up value at the end of the tenth year equals $246, and at the end of the twentieth year to $516.

Participation.—The policy participates in the surplus of the order at the end of each year, the first refund being made at the end of the second certificate year.

Special benefits.—$200 per $1,000 will be paid in the event of any member losing by accident, within ninety days of date of same, a hand, a foot or an eye. Such payments do not, of course, affect the death benefit.

Income disability.—Includes, upon payment of the additional premium, a rider providing for the waiver of premiums in the event of disability, after one year's membership, and before attaining the age of 60, and the payment to him as long as he remains permanently disabled, of a monthly income of one per cent. of the face amount of the certificate.

Insurance Inklings

Money for loans on homes to be built in Lethbridge to the extent of $100,000 is available through the Manufacturers' Life Insurance Company. This company has already received and considered applications for loans in Lethbridge.

* * *

A. C., F. B. and J. W. McEown, district managers and special representative of the Saskatoon branch of the Confederation Life Association, announce that their territory has been enlarged to include the entire northern part of the province.

The Saskatoon agency ranks first of all the Canadian agencies with 151 per cent. of the business allotted to them paid for, up to June 30th of this year. A. C. and F. B. McEown have already qualified for the "Confederation Club," in the managers' section, and J. W. McEown in the producers' section, for 1928.

* * *

In order to add a little spice to business, the Kingston agency of the Manufacturers' Life Insurance Co. challenged the Ottawa agency of the same company to a friendly contest for the months of May and June, the loser to provide an outing for the winning agency.

Members of the Kingston agency carried off the honors with flying colors. Charles S. Clark, who was one of the enthusiastic members of the Kingston agency, extended an invitation to the agency to hold the outing on his farm at Mud Lake, Battersea. This was done.

A. Kinch, superintendent of agencies, represented head office, and at the business meeting, extended congratulations to M. G. Johnston, manager of the Kingston agency, and his staff on the splendid work done, not only during the contest period, but for the first half of the year.

* * *

The fifth annual conference of the Life Office Management Association will be held at the Drake Hotel, Chicago, on Thursday, Friday and Saturday, September 27, 28 and 29. The association was formed in 1924 as the result of a meeting of a group of life insurance executives in the office of the Lincoln National Life Insurance Company that year. Over 130 companies in the United States and Canada are now listed in its membership rolls.

The president this year is Ed. E. Reid, general manager of London Life Insurance Company.

* * *

International Life Insurance Company, of St. Louis, which has been in financial difficulties, did not carry on business in Canada.

* * *

The Sun Life Insurance Company of Canada will handle the pension and thrift funds of the pension and savings plan recently inaugurated by the Curtis Publishing Company of Philadelphia for its employees. The Curtis company publishes the "Saturday Evening Post," the "Ladies Home Journal," the "Country Gentleman" and other publications, and the pension and savings plan is a comprehensive one in that in addition to the pensions it provides co-operative thrift and stock purchase arrangements for the benefit of its five thousand employees. The Sun will pay annuities as they come due.

* * *

What officers of the Excelsior Life Insurance Company, of Toronto, Canada, believe to be one of the most brilliant records made by a new agent was that of J. Lucien Desnoyers, who joined recently the Montreal agency of the Excelsior Life. In July he wrote 18 applications for $190,500. Policies were issued and delivered for over $150,000.

Mr. Desnoyers is only 29 years old, and prior to joining the Excelsior Life was a clerk in a local bank.

* * *

The public is not getting all it might get in return for nearly two billion dollars that it pays annually for insurance other than life insurance, says an editorial in the Journal of Commerce, New York. The reason for this lies mainly with the public itself. Too many of its members give but little attention to their insurance; they pay for it, grumble a bit at the price and forget it unless a loss occurs. Primarily the public buys insurance to be indemnified for loss. It has very little ground for complaint about the indemnity it receives. Generally speaking, insurance companies pay all they have agreed to pay and do so promptly and willingly. In view of the great number of claims arising every year the number of disputes is remarkably small.

However, every insurance premium has in it a charge for service. In some classes of insurance this is little more than the commission for the agent or broker who handles the business, as there is little service which can be rendered the assured. In other classes the contract is almost entirely one for service. A plate glass insurance policy, for example, calls for the replacement of broken glass; it is very seldom that the insurance company pays the assured money. In steam boiler insurance the assured in effect buys an inspection service to prevent loss; the insurance company pays a loss only when it has failed in its efforts to prevent it. Thus the service element varies with the different classes of insurance. In some, the rendering of the service falls mainly upon the company; in others, mainly upon the agent or broker, and in still others, upon both.

The value of this service depends chiefly upon those who give it. Some companies employ the most competent men they can secure, while others attempt to save on this feature of their business. Some agents and some brokers not only know how to give the best service, but they actually give it, while others do not know how and have little desire to learn because they are interested chiefly in securing their commission. Yet the assured pays just as much for poor service as he would pay for the best, as the rates for each class of insurance are usually made by one organization and are charged by all companies. Sometimes he pays more for poor service, as the competent agent or broker often finds means of reducing the cost.

The assured seldom selects the company in which he will insure, but he does select his broker or the agent, and he in turn selects the company, probably on the basis of its standing, but possibly on the basis of the commission it pays him. Thus the responsibility for getting full value in service falls back upon the assured himself when he selects his agent or broker. Before he retains a lawyer to handle important matters for him, the average man is at some pains to satisfy himself that the attorney is competent; but frequently the same man hands over his affairs to the care of his insurance interests on the basis of friendship or benevolence with scarcely a thought about the kind of service he will secure. Thus by his own negligence he often pays full price for inferior service, coverage which does not fully meet his requirements and sometimes for disappointment and litigation when he has a claim.

* * *

F. S. Fillmore, manager for Northern Saskatchewan, of the Western Life, is motoring through Eastern Canada and the Maritime Provinces on a holiday. He will return via the United States.

* * *

H. R. Stephenson, of Toronto, general manager of the Crown Life Assurance Co., who is spending his vacation in the Maritime Provinces, recently addressed the Gyro Club of Moncton. The speaker spoke to the club on the new trend of life insurance. Many new features had been introduced during the past few years which materially benefited the people. For example, there was the double liability for accident clause, group insurance by firms for their employees, and life insurance with a trust clause.

Mr. Stephenson particularly stressed the importance for young business men creating an estate for their dependents by means of life insurance. He advised young men to make a statement of their possible assets and liabilities such as is done by business houses and to ascertain what would be the position of their families in case of the death of the breadwinner. The speaker pointed out that for the rich man there were at least two ways of leaving a permanent income for his dependents—by good bonds or insurance. For the average young man who has not much capital the only method of providing the permanent income in case of death was by life insurance.

Mr. Stephenson also pointed out the abstract necessity of making a will and placing it in the hands of some reliable and responsible party, either a lawyer, trust company, or insurance broker. In this way one undertook the responsibility of looking after the business affairs of one's estate, thus relieving one's family of this worry and anxiety.

Life insurance companies were issuing policies with the trust investment clause attached. One of the advantages of the insurance company's trust clauses was that the interest returns were averaged from the investment of all their clients spread over a diversified field and therefore offering a small percentage of possible loss to the individual, and a greater percentage of possible increase in income return.

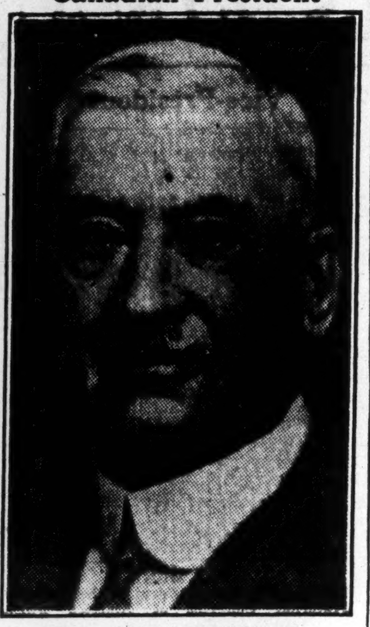
The speaker went on to show that to-day the more intelligent man very often went to the insurance agent and asked for life insurance, rather than having to be sold, because it was becoming generally understood that insurance was the best means of creating an estate.

Insurance policies were increasing in number and in size every year owing to the lowering of premium rates and improved service during the past few years, Mr. Stephenson said in conclusion.

* * *

Pipe and Allen, of Toronto, have been appointed as actuarial advisers to the Toronto civic pension fund. An investigation into the fund will be conducted and recommendations made to put it on a sound actuarial basis.

Canadian President



F. S. MEARNS, K. C.

Combining law and fraternalism, F. S. Mearns this year heads the Canadian Fraternal Association which is now in the thirty-eighth year of its existence. Mr. Mearns is grand secretary of the Sons of Scotland and senior member of the legal firm of Mearns, Carr & Firth.

FURTHER PROGRESS BY CHOSEN FRIENDS

Society Shows Higher Membership and Strong Position

Having now firmly established themselves in their new head office building at Hamilton, the Canadian Order of Chosen Friends, established some forty-one years ago, is on its way to further achievement in the fraternal world.

As a thoroughly modern fraternal order, the Chosen Friends issues whole life, twenty-year pay life, and endowment at age 65 policies to men, women and children. In addition, it also has on its books over 4,000 sickness and funeral benefit policies. At the end of 1927 its membership stood at 15,000, which is a marked increase over the previous years.

In common with other fraternals operating in Canada, the Chosen Friends is on a thoroughly sound actuarial basis. It has assets of over $1,700,000, largely invested in high class bonds and debentures. The society is operated along exceedingly economical lines, its expenses being less than 10 per cent. of annual premiums. The order has over $12,000,000 of insurance in force, in all parts of Canada. It maintains hospital facilities in Montreal, Hamilton and Vancouver.

The officers of the association are as follows: John L. Archer, grand counsellor; Wm. F. Montague, grand recorder-treasurer; John H. Bell, M.D., medical examiner; Lyman Lee, B.A., solicitor.

Using Non-Medical as Insurance Term is Deemed Unwise

Maccabee Official Would Merely Shift Burden of Scrutiny

ANALYSIS MADE

Majority of Early Deaths Found Unpredictable, and Heavy Losses Experienced from Older Risks

By DR. J. C. HANCHETT

The present practice of issuing life insurance without medical examination was started in Canada by Canadian companies in 1921. The increasing difficulty of securing medical examinations was given as the reason for this experiment. It was also believed that it would be a safe procedure under certain limitations and would assist the agent in securing business especially in rural districts. In 1924 certain companies in the United States followed the example of the Canadian companies. On June 30, 1926, 19 Canadian companies reported $187,000,000 of non-medical insurance in force and 81 companies in the United States reported $350,000,000 of non-medical business in force. All companies at that time reported that the mortality experience had been altogether favorable.

Since that time this practice has continued to meet with favor by the companies using it. The states of Mississippi and North Carolina have proposed legislation extending the privileges of non-medical restrictions. Certain fraternal associations would have followed but for the provisions of the New York Conference Bill, which is the law governing in many states requiring a medical examination for benefit membership. However, a number of fraternal societies have offered increases to, and reinstatements of, formerly examined members without re-examinations upon the basis and within the limits of the ordinary non-medical practice.

The ultimate experience may not be computed at this time upon this method of selection by these companies by reason of the few years that non-medical procedure has been in force.

Comparing Results

A comparison of short term deaths, under non-medical selection, with short term deaths under medically examined business during these same years may furnish some guide to the final outcome. It is generally accepted that the value of medical selection does not continue far beyond five years of membership.

There are certain causes of death which we do not expect to eliminate even in the early years after selection. Among such causes may be mentioned—death by accident or external violence, acute infections as typhoid fever, pneumonia, influenza, puerperal infections. On the other hand there are certain more chronic diseases which we feel should be eliminated during the early years of protection following proper selections, such as tuberculosis, chronic heart and other degenerative diseases, cancer, gall bladder conditions and goitre.

In November of 1925, the Insurance Sales Research Bureau, published an itemized account of 80 deaths for one Canadian company under non-medical selection during the years 1921 to 1924.

A Medical Survey

We have itemized 163 deaths under medical selection occurring during 1925 within one year of admission, during 1926 occurring within two years of admission, and during 1927 occurring within three years of admission, (all itemized were admitted under attained age 46, in order that the comparison would be for like ages.

If we group all those deaths which we may consider unexpected or unforeseen that occurred under non-medical selection we have the following:

	Number	% of Total
External violence	21	26.25
Pneumonia and influenza	10	12.50
Typhoid fever	5	6.25
Puerperal conditions	3	3.75
Appendicitis and acute abdomen	3	3.75
Meningitis, encephalitis and mastoiditis	3	3.75
Diphtheria	1	1.25
Toxemia	1	1.25
Malaria	1	1.25
	48	60.

If we group all those deaths which we believe should be diagnosed some time in advance of their termination, which occurred under non-medical selection, we have the following:

	Number	% of Total
Tuberculosis	13	16.25
Cancer	6	7.50
Heart	5	6.25
Kidneys	5	6.25
Syphilis	1	1.25
Duodenal Ulcer	1	1.25
Apoplexy	1	1.25
	32	40.

In like manner let us group the unexpected, unpredictable deaths occurring at the same ages under medical selection. We have:

	Number	% of Total
External violence	51	31.2
Pneumonia and influenza	16	9.7
Typhoid fever	3	1.8
Puerperal conditions	6	3.6
Appendicitis, acute abdomen	12	7.3
Meningitis, encephalitis and mastoiditis	6	3.6
Septecaemia	5	3.0
Malaria	1	.8
	100	61.35

We have for the anticipated group under medical selection as follows:

	Number	% of Total
Tuberculosis	19	11.6
Cancer	7	4.3
Heart	18	11.0
Kidneys	6	3.6
Apoplexy	3	1.8
Gall bladder	2	1.2
Peptic ulcer	1	.6
Insanity, mental	2	1.2
Diabetes	2	1.2
Operation for fibroid	1	.6
Goitre	2	1.2
	63	38.65

Few Differences

We find by classifying these 80 short term deaths under non-medical selection that 60 per cent. fall in the unexpected class and 40 per cent. in what we term the predictable class; while under medical selection, with a group of 163 short term deaths and similar classification, almost the same ratios prevail, 61.35 per cent. unexpected and 38.65 per cent. predictable. In short, both methods of selection seem to experience much the same distribution as to the various causes of early deaths. We find about the same percentage of accidents, tuberculosis, hearts and cancers occurring under the different methods of selection, indicating that there is a very orderly course through which the life span of the average individual of a large and normal distributed population may anticipate to carry on.

Short term deaths will occur.

Therefore, in a large group of young adults selected upon a plan insuring that they are normally employed in wholesale work and in apparent good health as determined by friends and neighbors and the guarantee of the applicant himself, we may save the medical examiner from the embarrassment of a hasty, unsatisfactory, abbreviated examination for which he is paid what he often has reason to feel is an inadequate fee for the work required.

Concentrated Examination

But, if on the other hand, we could select the somewhat less than 5 per cent., where there is an evident impairment by some less expensive method, and in turn pay our medical examiner a fully adequate fee for these special cases, I believe we would add to the dignity of the work of our profession and find we could afford to have laboratory reports, X-rays when desired, and electro-cardiographs, if necessary. It is rather to dignify the work of the examiner than to minimize his place and importance in our selection by eliminating from his duties the routine of reporting on applicants for small certificates in these younger years.

I would also report that during these same years—1925 to 1927—we had in addition to the 163 short term deaths occurring among members who were admitted upon medical selection between the ages of 16 and 45 inclusive, 57 short term deaths upon the same selection of entrants between 46 and 60 inclusive. That is, of a total of 220 short term deaths among members admitted between 1924 and 1925, 57 were over attained age 45 upon admission. While we cannot state that the exact number of those admitted above 45 for each of these separate four years, we have tabulated this data for the latter two years, 1926 and 1927, and find for these two years only 6 per cent. of our entrants were 46 or past. If this same ratio held for 1924 and 1925, then 6 per cent. of our entrants past 46 gave a little over 25 per cent. of our short term deaths.

Later Risks Are Problem

This may be further emphasized by the fact that for 1926 and 1927 our rejection of applicants over 45 was 13.5 per cent., while the percentage of rejections for those 45 or under was only 4.7 per cent. This low percentage of rejections under 45 accompanied by an experience of few short term deaths among such entrants, when compared with a three times more severe rejection rate above 45, accompanied by a high incidence of short term deaths for these members coming to us between ages 46 and 60 inclusive, indicates to me that greater effort should be placed upon selection in these later years. To this and I am inclined to favor non-medical selection upon that class where there are few impaired lives and lay still greater stress and refinement upon the selection in the higher years where there are more frequent impairments and where our experience demonstrates our great cost for short term deaths occur.

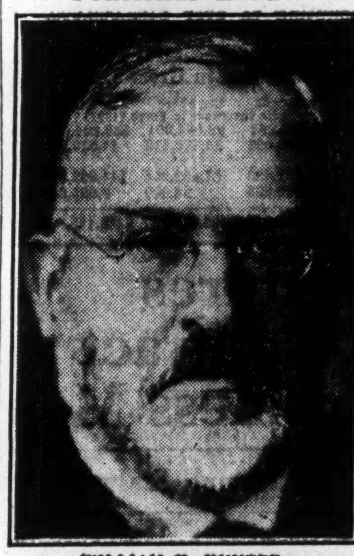
Examine 10 Per Cent.

If we could accept 90 per cent. of our members under 46 without examination upon the statement of the applicant and the solicitor with inspection reports, and secure examination upon the other 10 per cent. of applicants under 46 and all over that age at ten dollars for each examination, which would then give a complete report, I am satisfied that short term deaths would be reduced largely to such conditions as accidents, pneumonia and such causes as may not be predicted far in the future and at the same time save some of the expense now necessary for an inadequate fee for examination of every candidate.

The local examiner would be required to make fewer examinations but would receive a much more satisfactory fee for a much more complete and technical report, and in this way save many short term claims which now are paid, and make the local examiner a more dignified officer of the society.

We would suggest that the term "non-medical" is an unfortunate name and misleading, for, in fact, medical examinations will be used when necessary. And in the end medical examinations of a much more technical and refined nature for which an adequate fee may very economically be paid by reason of the savings on such applicants as may be accepted without medical examinations.

Fraternal Leader



WILLIAM H. HUNTER,
Supreme Chief Ranger of the Independent Order of Foresters.

RECORD GRAIN CROP

WINNIPEG.—General opinion in Western Canada now appears to favor a record wheat crop, yielding around 500,000,000 bushels. Considerable cutting and even some threshing of the grain was reported as early as August 8, and with the various hazards to the crop lessening daily, prospects are said to be of the brightest. The feature of the growing crop to date is its freedom from rust and other pest infection, and while hail has done some damage in Saskatchewan the larger area planted this year is expected to offset that factor.

Saskatchewan General Trusts Corporation
HEAD OFFICE: REGINA, SASK. LIMITED
Subscribed Capital - - - $1,000,000.00
EXECUTOR ADMINISTRATOR ASSIGNEE TRUSTEE
Special attention given Mortgage Investments, Collections, Management of Properties for Absentees and all other agency business.
BOARD OF DIRECTORS:
G. H. BARR, K.C., President — WILLIAM WILSON, Vice-President
W. H. Duncan, David Low, M.D., R. W. Lampman, C.A. LL.B., Gen'l Manager
Chas. Willoughby, P. S. Stewart, W. T. Mollard
Jno. C. Poyser, J. A. M. Patrick, K.C., Robt. B. Heath
Official Administrator for the Judicial Districts of Weyburn, Arcola and Estevan

FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
BRITISH EMPIRE ASSURANCE COMPANY
HEAD OFFICE · TORONTO

The PIONEER INSURANCE COMPANY
Fire Insurance at Tariff Rates
Pres.—JAMES STEWART
Vice-Pres.—FRANK O. FOWLER, Ex-Mayor of Winnipeg
Sec.-Treas.—J. H. FACHE
Head Office: WINNIPEG - MANITOBA

MILL OWNERS MUTUAL FIRE INSURANCE COMPANY OF IOWA
Assets, $2,606,712.91
Surplus Assets, $1,200,000. 53 Years Old.
Policyholders' Dividend Rate, 25% to 30%.
SENECA JONES & SON HAMILTON, ONT.—Canadian General Agents

THE MONARCH LIFE
A Progressive Canadian Company
Provincial Offices
Toronto, Montreal, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria, St. John, Halifax.

Insurance
FIRE, HAIL and CASUALTY INSURANCE
Of every description effected with leading Insurance Offices.
Our Advisory Service is at your disposal.
OSLER, HAMMOND & NANTON Ltd.
WINNIPEG

We Are Now Ready
to offer to men who measure up to Northern Life standards—direct home office, general agency contracts which provide vested renewals and general commissions—a contract that is a real basis for business building.
We want men who feel sure their inherent abilities and business experience can be most profitably employed in building a permanent career in Life Insurance Salesmanship.
The NORTHERN LIFE ASSURANCE COMPANY OF CANADA
Established 1897
HEAD OFFICE LONDON, ONT

THE Western Empire Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON, EDMONTON, CALGARY, VANCOUVER

The Ontario Equitable Life and Accident Insurance Company
S. C. TWEED, President
Head Office: Waterloo, Ontario
Assets (Dec. 31, 1927) $4,447,065
Reserves 2,993,047
Insurance in force $36,733,795

"The Stock Company that pays Policyholder Dividends"
GENERAL INSURANCE COMPANY OF AMERICA
Total Assets—$5,516,000
Manager for Canada—Norman S. Jones, Hamilton, Ont.

The CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office - Winnipeg, Man.
E. F. HUTCHINGS, President.
HENRY SANDISON, 1st Vice-President and Managing Director.
T. S. MCPHERSON, 2nd Vice-President.
Applications for Agencies Invited

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$94,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — ALEX. STEWART, Treasurer

Partners in Prosperity
Safe and remunerative investments for relatively small sums are scarce.
The Two Year Participating Endowment Policy issued by the Sun Life Assurance Company meets this problem. At maturity, the face value of the policy together with the profits that have been credited to it, during the two years it has been in force, may be left with the Company at interest.
The investor in this way may mingle his capital with the assets of the Sun Life Company receiving the protection and security of its vast resources, and sharing in its remarkable prosperity.
Write for booklet, "Concerning your Investments," for protection.
Sun Life Assurance Company of Canada
Head Office: Montreal

THE ONTARIO LOAN AND DEBENTURE CO.
LONDON — 58 years in business — CANADA
Capital, paid-up, $1,750,000 — Reserve Fund, $2,800,000
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages including building loans. Applications invited.
A. M. SMART, President — T. H. MAIN, Manager

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
Assets $4,026,244.79
HEAD OFFICE FOR CANADA—HAMILTON, ONTARIO
Branch Offices:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon, Calgary, Winnipeg, Montreal, Saint John, Halifax, and Charlottetown.
Writing Fire Insurance at Cost
ALL POLICIES DIVIDEND-PAYING AND NON-ASSESSABLE

Current Events in Banking World

TORONTO BANKER URGES PENALTIES N.S.F. CHEQUES

Those Who Wish, May Now Get Away With Deliberate Fraud

By a Toronto Banker

The number of cheques which are issued only to be dishonored on presentation is one of the present day problems in Canada and in the United States. The mercantile community find the practice not only a nuisance, but a matter of considerable expense, as it means a reversal of entries for each cheque returned, there is also time lost in comunicating with the drawers. Most of these claim to have made a mistake in the calculation of their bank balance, but it is generally admitted that when payment of a cheque is refused, the drawer in most cases has known quite well what would happen, but has adopted this method of trying to get a few days longer credit, at someone else's expense. The extra work thus entailed on the one to whom the cheque is given means additional office expense for him and one credit man recently estimated that, when the overhead was considered, the cost to his office was 40 cents per cheque, whenever one deposited in the usual course was refused on presentation and charged back to his firm's account.

Now Must Be Marked

New clearing house regulations will not permit the redepositing of a cheque which has been once refused because of insufficient funds, unless the cheque has been certified by the bank upon which drawn, and this has helped to abate the nuisance to an appreciated extent. One organization supplying a most essential service has found this regulation of great benefit, as when a cheque is returned the drawer is notified that, unless the cash is forthcoming at its office by the following day, service will be at once discontinued. This has materially assisted the office, and has also helped those in other lines of business.

In several states across the border the issuing of a cheque which is not paid on presentation is a misdemeanor, punishable by fine or imprisonment, and the refusal of the cheque is prima facie evidence of the misdemeanor. It is then up to the drawer to show that he had reasonable grounds for believing the cheque would be paid; otherwise a charge of fraud would be established.

Credit organizations in Canada have urged the passing of legislation in this country, which would put the onus of proving innocence on the drawer of the cheque. This is objected to by some as savoring of "strong arm" methods, but it is doubtful whether under such a regulation any honest man or woman would be hurt, or even inconvenienced. Others would, of course, but why should they be considered?

May Defraud At Will

In Canada a man may issue a cheque, knowing quite well that it will not be paid on presentation, practically a deliberate fraud, and yet, unless the holder can show that the drawer knew the cheque would not be paid, and that the cheque was given with intent to defraud, he is out of luck, and has merely the recourse that a civil action will give. Proof of fraud in such cases is difficult to establish, and, even if the evidence is fairly conclusive, the penalty which may be inflicted for fraud is so severe that juries are inclined to be lenient in dealing with the case. If the offence were graded, so that the matter could be dismissed with a fine or a short term of imprisonment, the chances are there might be more convictions, and as a result, a practice for which there is little or any excuse would be actively discouraged.

The American law in this respect is more harsh than ours, but it has this feature that it puts the onus where it belongs, on the drawer of the cheque. Across the line they may not take too serious a view of the effect on the morals of the community, when one crook eliminates another with a gun or a properly placed knife, but, where the convenience of the people at large is concerned, they take prompt steps to find a remedy, and do not permit themselves to be hampered by precedent.

If a few of the careless persons who persist in issuing cheques which take days to collect could be sent down for a few days rest in the county jail, the effect on the business habits of the remainder of the tribe would be wonderful.

In an American clearing house there is a penalty of two per cent. with a minimum of $1, imposed on each cheque refused because of not sufficient funds. Refusal to pay this charge, of course, means that the drawer must find some other bank to take the account, and as the penalty referred to is the general rule, he will be no better off unless he changes his habits.

The issuing of cheques for which funds have not been provided has far less excuse in Canada than in the United States, because under the general custom of banks in Canada, credit is usually given for cheques on other banks when deposited. South of the border the general custom is to withhold credit until the cheques so deposited have been realized on by the bank.

Municipalities of Coast In Better Financial Shape

Municipal statistics of British Columbia made public by Robert Baird, provincial inspector of municipalities, show a very satisfactory state of affairs; a comparatively small increase in liabilities; a substantial increase in the value of assessable improvements; a further improvement in the condition of the sinking funds; and a reduction in the amount of taxes outstanding.

The increase of slightly over four and a half millions in the debenture debt of the municipalities is an indication of the development which is taking place throughout the province, and of the additional services of various kinds afforded to the public.

The increase of approximately twenty-one and a half millions in the value of assessable improvements indicates a year of very satisfactory progress in building activities and industrial development.

The work of clearing away old sinking fund shortages still continues with good results, and with the high rate of interest provided by the securities held by many of the municipalities the situation is even better than is indicated by the figures. In some of the older debenture issues the error was made of extending the debentures to a time beyond the life of the work, but in many cases the sinking funds now being built up with securities of an interest rate higher than that computed in the by-laws will, if properly administered, provide sufficient for the retirement of the debentures before their maturity, and this will to some extent remedy the error made at the time of issue.

Municipal Directory Issues Third Edition

Third annual edition of the Canadian Municipal Directory has just been published.

The contents of the book have been standardized throughout and the alphabetical arrangement makes the information contained therein easily accessible. In the introduction, the point is made that there are 4,300 self-governing committees in Canada with 50,000 officials engaged in conducting the affairs of these many cities, towns, and villages.

The book is divided into three chapters, the first being an alphabetical directory by provinces, of municipal men from coast to coast, the larger places having a full municipal personnel included, and the rural communities, the chief officials.

Part two deals with particulars of a reference and comparative nature and gives tabulated information on the very important question of waterworks. The third part of the book is devoted to a buyer's guide.

Publishers are Wisely Bragg Publishing Company, Montreal.

ANY BIG INCREASE IN STOCK PRICES IS LONG WAY OFF

(Continued from page 11)

millions by January, 1928, and to $1,207 millions by the end of May.

Our Barometer of Credit, referred to earlier in this review, which had been as high as 119.0 in December, 1926, had fallen by the end of May, 1928, to 105.6. The difference between these two index numbers represents in round figures about $200 millions of banking resources, free a year and a half ago and now tied up in commercial and call loans, investments, etc.

Statistics published this week by the Dominion Government indicate that the first half of the current year was the most active period in the history of Canada, the volume of business having been about 14 per cent. higher than in the corresponding period in 1927. With an unusually large grain crop maturing and with great activity prevailing in the construction and mining industries it may safely be assumed that the expansion shown in the first half of the year will be at least equalled in the second half. This means that the banks have latterly been facing the definite prospect that their resources will be very fully occupied during the coming months in looking after the business of the country.

In summary, the situation in respect to money, so far as the security market goes, is a complete reversal of the situated that existed, say, eighteen months ago. Not only is there no visible surplus of loanable funds to finance an extensive buying movement in securities but it is reasonably certain that, due to the increasing demands for money in business, the security markets will have to function with smaller supplies of credit than were available in the past year.

There is a widely held feeling that to a considerable extent this market situation in respect to money is an artificial one and that money could be freely supplied to the market if the banks so wished. On the contrary, as the outline of the principal facts in the foregoing should make clear, the situation is a very natural one and one that has developed gradually for very natural reasons. It is not a situation that can be adjusted other than gradually.

Because we have felt that credit conditions were too unfavorable from a market standpoint to encourage hopes of any general revival of speculative interest, we have for some time been advising our clients to reduce their commitments and we see no reason to change our attitude. When the harvest is in and a considerable portion of the grain has moved out for export, some improvement in credit conditions will follow. Between now and February, however, it may be taken for granted that money will be in short supply for security market operations. The volume of investment buying, it may be assumed, will continue large, as profits throughout the country are at a high level, and, from the investment standpoint, the security market offers many attractions. Except in rare instances of companies affected by unusually favorable influences stocks are not at the present time a purchase for speculative purposes.

E. J. Vandewater, who has for the past few years been manager of the Kamloops branch of the Royal Bank of Canada, has been transferred to the Coquitlam branch of the same bank. M. S. Kudd, late manager at Coquitlam, succeeds Mr. Vandewater at Kamloops.

Bank Chat

Bank of Toronto has opened a branch in Orangeville.

The Appin, Ontario, branch of the Royal Bank was recently destroyed by fire.

W. H. Burritt, manager of the Shediac branch of the Bank of Montreal, has received notification that he is to be transferred to the Chatham, N.B., branch as manager. His successor is not known as yet.

Mr. Burritt came from the Halifax office of the Bank of Montreal. Previous to that he was in Newfoundland with the same bank. He is a native of Ontario and is a descendant of a Loyalist family prominent in the early history of the province.

Gerald Lawson, for the past seven years manager of the Bank of Montreal, in Yarmouth, has received notice of his transfer to the managership of the branch of that bank in Fredericton, N.B. Mr. Lawson came to Yarmouth as successor to T. V. B. Bingay. During his stay in Yarmouth Mr. Lawson, in addition to his busy banking life, found time to show a goodly interest in various organizations. He was for two years president of the Board of Trade; he also filled the position of treasurer of the Golf and Country Club since he first came to this town; at the establishment of the Nova Scotia Sea Fisheries' Association he was made treasurer of that organization.

Mr. Lawson will be succeeded by F. J. Shreve, now manager of the Bank of Montreal at Amherst.

C. F. Tilley, of the staff of the Fredericton branch, is acting manager at present, assuming the duties on the sudden death of G. N. C. Hawkins. He will continue acting manager until the arrival of Mr. Lawson. It is probable that Mr. Tilley will receive a transfer, but at present nothing is known concerning it.

From the heart of Western Canada comes a friendly reference to the recent bank merger. The Swift Current, Sask., Sun says:

"A considerable section of the press of Canada is concerned, if not alarmed, over the recent bank merger, by which the Canadian Bank of Commerce has absorbed The Standard Bank. There is the thought running all through this comment that the big banks have a voracious desire to devour little ones, but in all past bank mergers this has not been the case, but rather a case of "big brother" aid in a time of peril. If any such conditions existed in the affairs of The Standard Bank to necessitate the merger, the public ought to know it. Public confidence in our banks is in our national morale, and because our banks rest upon a parliamentary structure, the public can have a lot to say, when amendments to the Bank Act become a public issue. Generally, we believe the bank mergers have been a good thing for public business, and this paper cannot share the alarm in many places expressed over the recent merger referred to."

It was learned this week that in addition to the promotion of W. H. Burritt, Shediac manager of the Bank of Montreal, to be manager at Chatham, several other important promotions in the bank's service have been decided upon. E. R. Huestis, manager at Perth, Victoria County, N. B., will succeed Manager Burritt at Shediac about August 25. Manager F. J. Shreve, of the Bank of Montreal, Amherst, has been promoted to the branch at Yarmouth, N. S.

B. D. Henry, manager of the Royal Bank branch at Florence, has been notified of his transfer to Port Perry, to be manager in that place. Mr. Henry has been at Florence for nearly five years. He will be succeeded by Willard Forshee, of St. Marys.

Imperial Bank of Canada announces the following staff changes:

S. T. Skene, formerly manager, Springwater, Sask., has been transferred to Winnipeg branch.

D. Meldrum, formerly accountant, Regina, Sask., has been appointed manager, Springwater, Sask.

D. N. Grubb, formerly assistant accountant, Winnipeg, has been appointed accountant, Regina, Sask.

W. K. Wickens, formerly manager, Fort William, Ont., has been appointed manager, Revelstoke, B. C.

T. R. Jones, formerly manager, Revelstoke, B.C., has been appointed manager of the new branch, Chatham, Ont., which is being opened around September 1st.

J. W. Thomson, formerly attached to the assistant general manager's department, Winnipeg, Man., has been appointed manager, Fort William, Ontario.

M. G. Coburn, formerly accountant, Brantford, has been appointed manager of the new branch, Caledonia, Ont.

R. A. George, formerly accountant, Listowel, Ont., has been appointed accountant, Brantford, Ont.

M. O. Hurst, formerly teller, Fergus, has been appointed accountant, Listowel, Ont.

W. L. Dingwall, formerly assistant accountant, Windsor, Ont., has been appointed accountant, Amherstburg, Ont.

J. W. Thomson, assistant supervisor of the Winnipeg office of the Imperial Bank for the past three years, has been appointed manager of the Fort William branch in succession to W. K. Wickens, manager there for eight and a half years, who leaves to assume the managership of the Revelstoke, B. C., branch. Mr. Wicken's golfing friends assembled at the club-house in Fort William and presented him with a completely fitted club bag.

When writing to the Minister of Justice that legislation should be enacted to counteract the present tendency by many persons to issue cheques where there are no funds, a Vancouver member of the Canadian Credit Men's Trust Association summarized his suggestions as follows:

"1. Fraudulent intent should be presumed when an N.S.F. cheque is given in direct payment of merchandise or in payment of a pre-existing indebtedness on the strength of which the merchant parts with further merchandise.

'2. The maker of the N.S.F. cheque should be given a definite period of time in which to make it good.

"3. The burden of proving innocence should be placed upon the maker of the cheque.

"4. A penalty should be provided sufficiently severe to discourage the intentional passers of N.S.F. cheques."

In his letter to the Minister, this member goes on to say:

"It is not our desire to sponsor a law that will prove unjust to the innocent maker of an N.S.F. cheque, but rather a law that will provide redress against the 'crook.'

"To obtain this end, the law should be strong enough to permit prosecution where the actions of the maker of the cheque, subsequent to its issuance, indicate fraudulent intent. In other words, the innocent maker of a bad cheque will correct his error immediately. The embezzler will evade or refuse payment. The burden of proof as to innocence should be placed upon the maker of the cheque.

"Practically all N.S.F. cheque laws stipulate that a crime is committed only when the cheque is given in direct payment of merchandise, i.e., a cash transaction. The legislators overlook the fact that it is common business practice for a merchant to grant credit on one order and require that it be paid at the time credit is again given. While technically the cheque is given in payment of pre-existing indebtedness, still it is true that the second credit is given in consideration of payment of the first. If the cheque is not honored then, the debtor is in the position of having received something for nothing."

An Oshawa paper published an item to the effect that the Bank of Commerce will move to the Standard Bank office there in October and this was inadvertantly repeated in this column. Of course, there is no truth in the rumor.

Weekly Bank Clearings

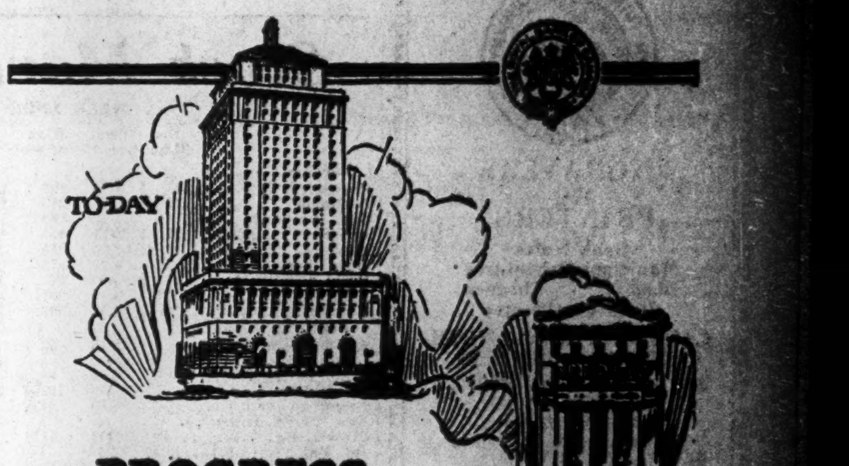
(As compared with same week last year)

Eastern Cities

	Aug. 10, 1927	Aug. 9, 1928
Halifax	$ 2,770,180	$ 3,621,059
Saint John	2,710,577	3,144,548
Moncton	895,912	1,027,107
Sherbrooke	922,584	948,8[illegible]8
Quebec	6,076,195	6,887,509
Montreal	100,367,186	141,295,213
Ottawa	6,123,240	6,968,265
Kingston	746,477	899,053
Toronto	96,524,401	128,642,941
Peterboro	733,493	824,803
Hamilton	4,906,771	4,901,973
London	2,844,893	2,832,159
Brantford	1,060,631	1,207,374
Chatham	771,889	670,703
Kitchener	991,775	1,117,611
Windsor	4,756,403	....
Sarnia	685,594	652,881

Western Cities

	Aug. 10, 1927	Aug. 9, 1929
Fort William	$ 1,114,786	$ 1,028,227
Winnipeg	51,476,665	....
Brandon	594,977	813,324
Regina	5,942,922	776,448
Moose Jaw	1,208,214	1,367,713
Saskatoon	2,417,015	....
Prince Albert	375,081	507,245
Lethbridge	542,066	739,092
Calgary	7,856,681	16,847,[illegible]
Edmonton	4,178,463	6,458,457
Medicine Hat	272,272	419,921
New Westminster	823,375	813,079
Vancouver	18,063,104	20,182,411
Victoria	2,400,558	2,774,258



PROGRESS

SOUND business principles and a policy of gradual expansion have marked the steady growth of this Bank for sixty years.

Today, one of the largest and strongest banks in the world, it serves every phase of business and private life at home, and is taking a leading part in the expansion of trade in foreign markets.

You will like banking at The Royal

G820

The Royal Bank of Canada

Serving Canada Since 1869

Write for Offering List of Investment Securities

McLeod, Young, Weir & Co.
Limited
Metropolitan Building - Toronto
and at
Montreal Ottawa Hamilton London

CANADA PERMANENT BONDS

Have stood the greatest of all tests—the test of TIME.

For more than half a century they have been a favorite investment of many prudent and experienced investors.

In addition to being an unquestionable security, the Bonds offer special advantages. For example, they are issued as required by investors, for periods and in sums to suit the needs of each individual.

At present the rate obtainable on amounts invested in these Bonds is

$4\frac{3}{4}\%$

per annum, payable half-yearly. Considering the yield basis on which other high-grade securities are selling, and keeping in mind the decided trend towards lower rates. this is a very attractive rate of interest.

Please call or write for full particulars of the Bonds of Canada's premier mortgage corporation. They offer a splendid opportunity for the employment of idle funds.

CANADA PERMANENT MORTGAGE CORPORATION
14-18 TORONTO STREET, TORONTO 2
INVESTMENTS EXCEED $63,000,000.00

Sound Investments with a good yield.

Write for our selected list of offerings.

DICKSON, JOLLIFFE and Company, Limited
INVESTMENT SECURITIES
302 BAY STREET — TORONTO

S. W. RANDALL & COMPANY
LIMITED
Members Vancouver Stock Exchange
675 Richards St.,
Vancouver, B.C.

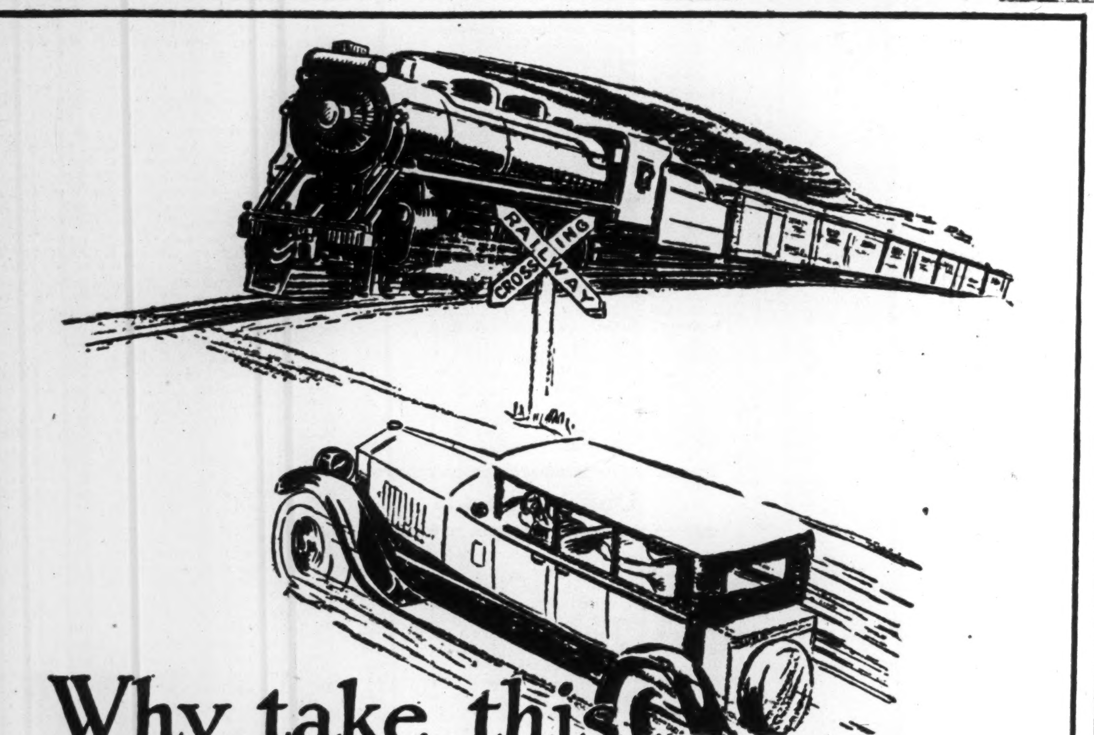
Pension Funds Organized and Valued
Equipped with Hollerith Sorting and Tabulating Machines
PIPE & ALLEN
Qualified Actuaries and Statisticians
1711-1712 Metropolitan Bldg., Toronto

Western Investments

Those who have investments in British Columbia, with which they are not familiar. may write to us for independent reports or valuations.

Our organization covers every section of the province.

Pemberton & Son
Vancouver Limited
418 HOWE STREET
Vancouver, Canada



Why take this CHANCE?

CARE COURTESY COMMON SENSE

Every atom of your Commonsense warns You to be Careful at Railway Crossings

Despite the fate of those who have attempted it, there are motorists still who try to beat trains to railway crossings. It is the most desperate chance in motoring. The train can't stop. The motor vehicle may stall, or it may be too *late*. Then two thousand tons shatter and wreck two tons.

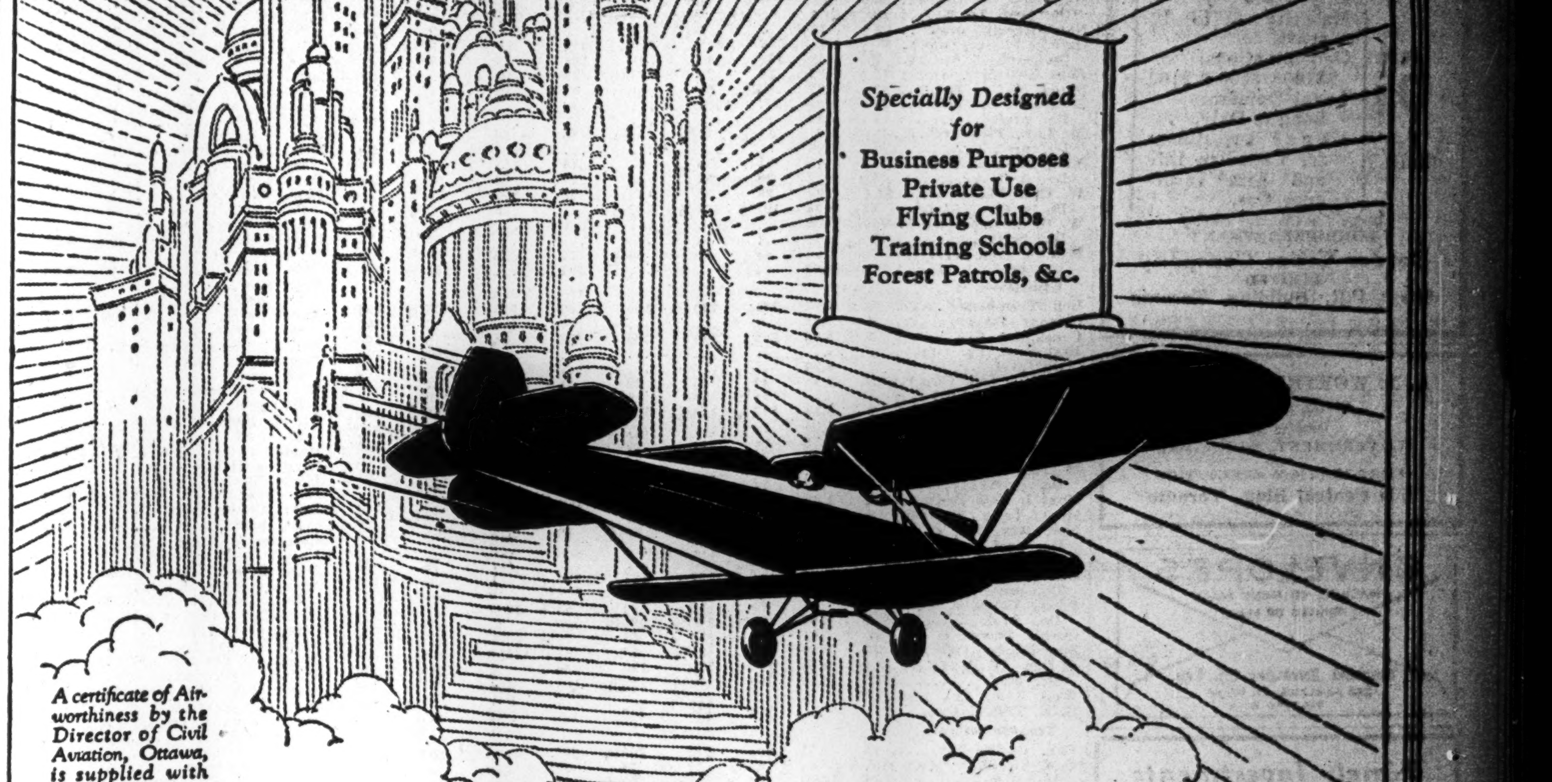
If the motorist gets across safely, he saves a minute or so—and has the thrill of beating the train. If he loses—then to the hospital or cemetery.

Railway crossings are well marked. Slow down as you approach them. LOOK—both ways—and LISTEN. If a train is in sight, SET YOUR HAND BRAKE, and wait for the train to pass. Do not take the most desperate of all chances in motoring.

1 Have your car in perfect mechanical shape—particularly Brakes, Steering Gear and Head Lights.
2 Give your undivided attention to your driving. In passing traffic, be sure there is a place for you in the traffic line ahead.
3 When other motor vehicles try to pass you—let them pass.
4 In entering main streets or highways, or in approaching a railway crossing where a full view of the track is obstructed, stop and look.
5 Don't "loaf" where traffic is heavy.
6 Always signal before you slow down, stop or change your course.
7 Never back up before ascertaining that the road behind is clear.

Highway Safety Committee

EXECUTIVE COMMITTEE
Chairman:—HON. GEO. S. HENRY, Minister of Highways.
Secretary:—J. P. BICKELL, Registrar of Motor Vehicles.
BRIG. GEN. D. E. DRAPER, Chief of Police, Toronto
W. G. ROBERTSON, Sec. Treas. Ont. Motor League
THOS. MARSHALL, Sec. Ont. Ass. Boards of Trade
R. M. SMITH, Deputy Minister of Highways
J. MILLER, Sec. Border Cities Chamber of Comm.
J. P. WYSE, Sec. Ont. Safety League
H. K. CARRUTHERS, Sec. Ottawa Bd. of Trade
WM. MORRISON, Controller, City of Hamilton
MAYOR J. WILSON, Gananoque
ADVISORY COMMITTEE
All Editors, Heads of Municipal Governments, Police Chiefs, Presidents of Boards of Trade, Automobile Clubs and Service Clubs of the Province of Ontario.
28A



YOUR CASTLES IN THE AIR
Reach them with a "Rambler"

You dreamers of great things . . . you business men with imagination . . . the Reid Rambler is here to help you make your dreams come true.

No longer need you sit and wish, now you can fly and do. In the Rambler you soar with the birds . . . get there in greater comfort and three times as fast as by any other method of travel.

All metal, even the propeller, with wings and fuselage covered with fabric of finest Irish Linen, the Rambler is a folding biplane with no wires to adjust . . . a staunch, permanently rigged, absolutely dependable machine throughout. Powered with the famous Cirrus Motor, equipped with simplified dual control, it is easy to learn to fly yourself or you may employ a pilot if you wish.

You're a modern business man, keep abreast of the times, write to-day for descriptive literature and prices. Orders filled in order received.

RAMBLER
The Only All-metal Light Aeroplane
Reid Aircraft Company, Limited, Montreal
Airpark • St. Laurent, Que.

CANADIAN STOCK AND BOND QUOTATIONS

CANADIAN BANK NOTE COMPANY LIMITED

ENGRAVERS AND PRINTERS

Bank Notes
Municipal Debentures
Bonds Cheques
Stock Certificates

CANADIAN BANK NOTE COMPANY, LIMITED
224 WELLINGTON STREET
OTTAWA

Branch Offices:
Montreal—360 St. James Street W.
Toronto—1604 Royal Bank Bldg.

D. J. McDougald J. B. McArthur

Government, Municipal and Corporation

BONDS

D. J. McDOUGALD & CO.
Trusts and Guarantee Bldg.
302 BAY STREET TORONTO ELGIN 2278

The Partners Personally Advise as to Investments

Calgary, Alberta

Stock, Bond and Grain Brokers
Industrial Financing

Carlile & Farr Ltd.

Private wire to all markets.

Correspondents of Osler & Hammond

High Grade Investments Dependable Service

BROWNE URQUHART & CO. LIMITED

766 St. James St.
MONTREAL
Telephone Harbour 2111

The ROYAL TRUST COMPANY

EXECUTORS and TRUSTEES

A GUARANTEED FIRST MORTGAGE BOND

Border Cities Company, Ltd.

Maturity 5 to 10 years.
Denominations: $1000, $500 & $100
Legal Opinion: Long & Daly.
Legal Investment for Canadian Life and Fire Insurance Cos.

6½ Per Cent.

Write for Circular to-day
BOND DEPARTMENT
Border Cities Company LIMITED
605 C.P.R. Building, Toronto

A. N. WORTHINGTON & CO.

Stocks and Bonds
Dealers in
GOVERNMENT, MUNICIPAL and CORPORATION SECURITIES
507 Central Bldg., Toronto

ENVELOPES

MACHINE OR HAND MADE
PRINTED OR PLAIN

TORONTO ENVELOPE CO., LTD.
366 ADELAIDE ST. WEST
TORONTO 2

Timely Investments

Williams, Partridge & Rapley, Limited

360 ST. JAMES ST. W. MONTREAL

BIG HARBOUR GYPSUM SYNDICATE

UNIT SALE

For information, write
Manager: Big Harbour Gypsum Syndicate
415-421 Ottawa Electric Bldg.,
OTTAWA, ONT.

1000% PROFITS

were made by Investors from an Investment of $320 in a Company manufacturing Ginger Ale.

We believe an investment in the shares of

Kelly Dry — Pure Juice Corporation

offers an opportunity comparable to the one mentioned. Full details will be gladly furnished without obligation.

Write today for the prospectus

Name ....
Address ....

Established 1910

Credit Canada Limitee
INVESTMENT BANKERS
132 St. James St. W., Montreal

Stock Market Record

WEEK ENDING AUGUST 14

	Div. Rate	Yield Aug. 13	High for wk.	Low for wk.	Close Aug. 14	Close Aug. 7	Sales for wk.	Range 1928 High	Range 1928 Low
Banks—									
Commerce	12+1	4.36	297	295	295	295	207	335	227
Dominion	12+1	5.05	257	256	257	256	50	280	245
Can. Nationale	10	5.29	190	189	189	189	5	197	189
Imperial	12+1	4.58	285	283	285	285	80	300	277
Montreal	12+1	5.11	254	253	253	253	8	220	185
Nova Scotia	16+2	3.94	352	351	351	350	86	380	327
Royal	12+1	3.95	355	355	358	358	116	420	302
Standard	12+2	4.08	376	374	374	374	150	410	310
Toronto	12	4.19	290	286	287	290	156	300	264
[illegible]	12+1	4.33	302	299	299	265	188	340	280
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

CURB AND UNLISTED MARKETS

[illegible]

xQuotations for 1927. No sales recorded in 1928 to date.

Unlisted Stocks

These approximate prices are mostly as at Aug. 14, and as no transactions in unlisted stocks are the result of personal negotiations, these figures cannot be guaranteed.

Industrial Stocks

	Bid	Asked
A. W. Chase, com.	[illegible]	5.00
A. W. Chase, pref.	65.00	[illegible]
[illegible]	[illegible]	[illegible]

Insurance

	Bid	Asked
British America	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Mortgage, Loan, Etc.

	Bid	Asked
British Mortgage & Trust	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Club Shares

	Bid	Asked
Bayview Golf	[illegible]	[illegible]
Lakeview Golf	[illegible]	[illegible]
Lambton Golf	[illegible]	[illegible]
Mississauga Golf	[illegible]	[illegible]
Rosedale Golf	[illegible]	[illegible]
Scarboro Golf	[illegible]	[illegible]
Thistledown Golf	[illegible]	[illegible]
Thornhill Golf	[illegible]	[illegible]
Weston Golf	[illegible]	[illegible]
York Down Golf	[illegible]	[illegible]

Recent London Quotations

	Sales
Calgary Power	[illegible]
Hudson's Bay	[illegible]
Hudson's Bay 5% pref.	[illegible]
Can. West. Lumber	[illegible]
Standard Chemical 7%	[illegible]
Dominion Tar	[illegible]
Mond Nickel	[illegible]
Lake Superior	[illegible]

Recent Vancouver Quotations

	Bid	Asked
B. C. Telephone, pfd., new 6%	[illegible]	[illegible]
Pacific Coyle, com.	[illegible]	[illegible]
Gosse Packing, pref.	[illegible]	[illegible]

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	[illegible]	[illegible]
Can. Fire Ins. Co.	[illegible]	[illegible]
Home Invest. and S. Assn.	[illegible]	[illegible]
N. Mtge., fully paid	[illegible]	[illegible]
N. Mtge., 50% pd.	[illegible]	[illegible]
Northern Trusts Co.	[illegible]	[illegible]
Standard Trusts Co.	[illegible]	[illegible]
No. Star Oil, com.	[illegible]	[illegible]
No. Star Oil, pref.	[illegible]	[illegible]

Unlisted Bonds

	Bid	Asked
Acadia Sugar, 6s, 1946	[illegible]	[illegible]
Alberta Pac. Grain, 6s, 1946	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Bond Movements of the Week

Week Ending August 14

[illegible]

NEW YORK CURB

	Close Aug. 1	Close Aug. 8	Close Aug. 15
Can. Marconi	[illegible]	[illegible]	[illegible]
Ford Canada	[illegible]	[illegible]	[illegible]
Imp. Oil Can.	[illegible]	[illegible]	[illegible]
Inter. Pete.	[illegible]	[illegible]	[illegible]
Int. Util. "A"	[illegible]	[illegible]	[illegible]
Int. Util. "B"	[illegible]	[illegible]	[illegible]
Nipissing	[illegible]	[illegible]	[illegible]
Noranda	[illegible]	[illegible]	[illegible]

A. J. Pattison, Jr. & Co. LIMITED

INVESTMENT BANKERS

BONDS AND SHARES

"Specialists Unlisted Bonds and Stocks"

219 Bay Street, (Ground Floor) Toronto

LARGER WHEAT MARKET

REGINA.—Speaking at Shaunavon, Saskatchewan, the other day, A. F. Sproule, director of the Saskatchewan Wheat Pool, expressed the belief that the Orient's demands for Canadian wheat, which this year were greater than those of any three previous years, would continue to increase. He mentioned, too, that the Saskatchewan Wheat Pool now has 925 country elevators and terminal elevators of 26,000,000 bushels capacity. It is also building another elevator of 6,000,000 capacity.

Lougheed & Taylor, Limited

Calgary, Canada

Bond, Insurance, Estates, Farm Lands, Appraisals

We are well informed on the oil situation

GAGE, EVANS, SPENCER LIMITED

Stocks, Bonds, Investment Bankers

Instantaneous quotation and information service through our private wire connections with all leading exchanges.

372 Portage Ave., Winnipeg

Phone 80 391
Private Branch Exchange

Foreign Exchange

NEW YORK FUNDS

	High	Low	Last year High (Premium)
Aug. 9	[illegible]	Par	[illegible]
Aug. 10	[illegible]	[illegible]	[illegible]
Aug. 11	[illegible]	[illegible]	[illegible]
Aug. 13	[illegible]	[illegible]	[illegible]
Aug. 14	[illegible]	[illegible]	[illegible]
Aug. 15	[illegible]	[illegible]	[illegible]

xDiscount.

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Aug. 9	[illegible]	[illegible]	[illegible]
Aug. 10	[illegible]	[illegible]	[illegible]
Aug. 11	[illegible]	[illegible]	[illegible]
Aug. 13	[illegible]	[illegible]	[illegible]
Aug. 14	[illegible]	[illegible]	[illegible]
Aug. 15	[illegible]	[illegible]	[illegible]

FOREIGN EXCHANGE

Par		Aug. 8	Aug. 15
19.30	Italian	5.24	5.24
23.80	German	23.82	23.82
19.30	Belgian	13.92	13.91
49.80	Japanese	45.25	45.00

Dividends Declared

	Rate	Date Payable	Record
[illegible]	[illegible]	[illegible]	[illegible]

Larger Canal Traffic Benefits C. S. Lines

From Our Own Correspondent

MONTREAL.—According to the statistics of traffic through the Canadian canals during July, shipping on the Great Lakes and St. Lawrence route has been more active during the past month than a year ago. The vessels of the Canada Steamship Lines will undoubtedly have obtained their share of the increased traffic.

The total traffic through the Soo during July was 13,247,118 tons—an increase of 1,587,491 tons over July of a year ago. Traffic on the Welland canal again passed the 1,000,000 ton mark and showed an increase of 253,882 tons over July, 1927. The St. Lawrence canal has handled a total of 1,225,338 tons of freight—a betterment of 327,065 tons as compared with July of 1927.

FRASER'S HOSE PLANT

MONTREAL.—Fire recently destroyed the large lath and shingle mill Companies, at Baker Brook, N. B. The loss in the mill is about $60,000 which is covered by insurance. No announcement has yet been made as to whether the mill will be rebuilt.

GOOD N. S. APPLE CROP

HALIFAX.—There is still speculation as to this year's apple crop in the Annapolis Valley. The latest estimates percentage of grades one and two, probably much higher than last year.

Flood Barnes Active Bond Prices

[illegible]

IF YOU love and appreciate really good tobacco then, for your own satisfaction, smoke—

PICCADILLY

In patent hermetic tins at twenty-five cents.

Property Corporation OF CANADA LIMITED

Real Estate Mortgage Loans

1409 Peel St., Montreal

E. A. DUNN & CO.

Investment Securities

Orders Executed on all Exchanges
Dominion Bank Bldg., Toronto
Elgin 7516

W. F. Mahon & Co.

Investment Bankers since 1907

177 Hollis Street, Halifax

Harry P. Carter

Barrister and Solicitor

MUIR BUILDING WATER STREET
ST. JOHN'S, NFLD.

P. O. Box E5006 Cable Address Retrac

C. T. FILLAN & CO.

Investment Securities
Financial Agents

Royal Bank Bldg.
MONTREAL

Telephone Lancaster 6217-6218

Speculative Chances of Subsidiary Stocks

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Tightening of Funds Forces Share Selling

SEEK BASE METALS IN NEW SECTION BY MATACHEWAN

Bob Jowsey Launches Private Venture to Test Out Area

WILL DIAMOND DRILL

Ground Was Prospected Years Ago for Nickel—Surface Values Are Good

By Staff Editor

HAILEYBURY.—The Robb option on the west branch of the Montreal River, Yarrow Township, District of Matachewan, has been taken over by Robert J. Jowsey, and associates. A prospecting crew and diamond drill outfit left Haileybury this week to investigate the possibilities of the property. A contract has been let for 3,000 feet of drilling.

The Robb option consists of a group of 32 claims, 22 of which were staked by Melvin Robb, staker of the Robb-Montbray. The remainder were staked by Jacques Davidson and optioned by Mr. Robb.

Mr. Robb, who is in charge of the exploration work now being carried on, informs The Financial Post, that the geological conditions of this district are very favorable for ore deposition, the mineralized zone lying in an altered keewatin with diabase intrusions, with granite lying to the south.

An outstanding feature of the property which lends interest to its development, lies in the fact that the mineralization occurs along an intense faulted zone, which is traceable for a distance of over 4,000 feet, and for an average width of 100 feet. Assays of grab samples ran 8 per cent. lead, 7 per cent. zinc, 60 per cent. gold, and gave traces of copper. It is believed copper will be found in replacement at depth.

The area in question is not a new one, strictly speaking, as it was prospected a number of years ago for nickel, of which some showings were found. It has remained idle since that time however, until re-staked in June last.

Mr. Jowsey informs The Financial Post, that the present work is being privately financed in the belief that the surface showings warrant a more thorough examination of the property's possibilities, and constitutes a good mining bet.

Future developments will depend on the result of the present examination. Should this warrant such a step, a company will probably be formed, and further financing carried out to permit of intensive development.

Wainwell Refinery Ready to Operate

From Our Own Correspondent

WAINWRIGHT, ALTA.—Nearly all the machinery is now placed at Wainwell oil refinery and everything is practically ready to start operations. Crude oil will be used from Wainwell Oils No. 1 well. The Gypsey plant will probably be absorbed by Wainwells as well as their present supply of crude.

RESIGNS FROM ALDERMAC

From Our Own Correspondent

ROUYN.—Ernie Craig, who has superintended the development of Aldermac Mines to its present interesting stage, has resigned to take up duties with the Lindsley interests.

Paddy Meaghan, E.M., mine captain at the Noranda, it is stated, will succeed Mr. Craig at Aldermac.

Flin Flon Mining Opportunity

A genuine and substantial opportunity for the investor.

One of Manitoba's most promising properties.

Manitoba Flin Flon Mines Syndicate

Six claims adjacent to Flin Flon on the West.

Ten claims adjacent to Flin Flon and Mandy Mines to the South.

Surface assay exceeds that of nearby mines.

Complete Information Will Be Mailed Upon Request

W. B. CUMMING & CO., Ltd.

21 King St. East,

TORONTO 2, Ontario

Mond's New Manager

OLIVER HALL

On Aug. 1, of this year, Mr. Hall assumed the post of general manager of Mond Nickel in charge of operation in Canada.

Found Mond Six Mines: One a Year

Oliver Hall is now in complete control of the affairs of Mond Nickel Co. in Canada, having succeeded Dr. C. V. Corless at the helm on August 1. His title is general manager in charge of Canadian operations and he is also a director of the American Mond Nickel Co., a subsidiary operating in United States.

Mr. Hall's mining experience with the exception of a couple of years, has all been with the Mond Co. He graduated from McGill University in 1903. After two years in Western mines he accepted the task of securing ore resources for Mond Nickel Company. He carried out complete magnetic surveys of the entire nickel ranges and during the years 1907 to 1913 secured new mines at the rate of one per year. His most outstanding successes were the securing of Levack and Frood. He personally staked the major portion of the former and forcasted the dip of the ore at Frood, now one of the company's largest reserves. His promotions with the company have been steady. He was appointed exploration engineeer in 1905, mine superintendent in 1907, general superintendent of mines in 1908, and latterly has been mines manager until his new appointment as general manager.

DETAILS OF ORE FIND AT MEETING OF TOUGH-OAKES

Shareholders' Gathering Will be Called Immediately

Shares of Tough-Oakes-Burnside moved up this week from around 20 to 26 on a report that some ore had been cut in the shaft, presumably just at the 1,800-ft. level where the station is now being cut. No assays or details of the new ore have been given out and presumably this is being saved for the annual meeting.

It looks as if the present discovery is what the directors have been waiting for as it is understood that the meeting will now be held just as soon as possible. Notices will go out immediately and the meeting will take place 10 days later. In the interval an effort will be made to get a good line on the new ore so that there will be something to talk about at the meeting.

Tough-Oakes-Burnside mill has been running some weeks now treating tailings and it is understood that the recovery is just sufficient to meet the cost of handling and milling. The company has still about $65,000 or $70,000 of the $150,000 funds London provided to carry on with. London interests will get bonds for this money and these will stand ahead of the shares.

"A Better Brokerage Service"

J.C.RUSE&CO LIMITED

J. CLARK RUSE—MEMBER
STANDARD STOCK & MINING EXCHANGE

8-10 King St. West - - - - Toronto

Telephones: ADel. 9411-ADel. 7031

BRANCH OFFICE - 350 BAY STREET - ADel. 208[illegible]

DIVIDENDS TALK

Our August 1st Market Letter is a Reliable Guide for Summer Buyers. Write for Copy.

THE proof of the pudding is in the eating and the success of a mine lies in its ability to earn dividends. During the first half of this year B. C. mines have paid $6,000,000 in dividends. The total for the year will run over the $12,000,000 mark.

We strongly recommend the purchase of stock in producing mines, such as Whitewater, Ruth-Hope and Lucky Jim. These properties are earning good money right today and will enter the dividend stage probably by the end of the year.

Miller, Court & Co. Ltd.

INVESTMENTS

Members Vancouver, Victoria, Calgary, Winnipeg, Seattle and Standard (Spokane) Stock Exchanges.

TORONTO OFFICE: 67 YONGE STREET. PHONE ADEL. 2481.

Head Office: Vancouver Block, Vancouver, B.C.

SEVERAL MANITOBA GOLD OPERATIONS LOOK INTERESTING

Winnipeg Business Men Pay Visit to Central Manitoba Area

OUTLOOK EXCELLENT

Intensive Programs of Development and Drilling on Many Properties

Mining developments in Manitoba's gold area, 100 miles north, east of Winnipeg, are being carried on aggressively. There are a number of strong and active concerns in the field and all are driving hard to duplicate the effort of Central Manitoba Mines and bring in a producer.

Business men of the province are now keenly alive to the value of this growing industry and recently quite a party of business men, under the auspices of Manitoba Chamber of Mines, paid a visit to the gold area.

A detailed report of the work being done at the various mines was published by Winnipeg Free Press, following the visit and some first hand data on some of the properties was given. Some of the references to various properties was as follows:

Central Manitoba

At Central Manitoba costs are being gradually brought down and production being gradually increased. Even at the present time ore developed would easily support a larger mill and though the addition of more units will probably be gradual, minor changes are being constantly made, which are increasing the capacity of the mill and improving the recovery of gold.

No effort is being made to obtain high mill-head values but a very strong effort is directed towards keeping mill-heads at a profitable average.

The property, as already has been said, is extensive in length and the earlier surface work, together with the sinking of some prospect shafts has demonstrated that while the present working shaft, known as the Eclipse and situated on the Kitchener claim is in good commercial ore, there is even richer ore at the east end of the property on claims known as the Tene six and the Rogers, on both of which shafts have been sunk to a depth of approximately 150 feet. It is anticipated that work will be resumed on the Rogers very soon, but in the meantime there is an abundance of work in sight on the Kitchener. Its working shaft is down 375 feet and there is a winze which carries down another 250 feet. The winze is in excellent ore of good grade and no trouble is experienced in supplying the mill with all the ore it can handle from the main working shaft. A winze on the 125-ft. level has opened a stope 20 feet in width, and excellent ore is being obtained here also.

Two Miles of Workings

The underground work on the Kitchener now comprises more than two miles of drifts and crosscuts and as the work proceeds the geology of the mine is more clearly revealed day by day, and from a comparatively small mine. Central Manitoba is rapidly reaching the stage where it will rank as one of the large and important producers among Canadian gold mines.

Approximately 125 men are kept steadily at work on Central Manitoba, well housed, well fed, and provided with reasonable amusements, a moving picture theatre now being in course of erection. The camp is as nearly self-supporting as it can be made, with its own vegetable gardens and its own farm, producing beef and pork sufficient for the daily requirements. More than $352,000 has been spent in plant and equipment, and there is an air of permanency about the entire structure, which gives the impression of stability and well being.

San Antonio

On the San Antonio, twenty miles or so distant from Central Manitoba Mines equally important work has been done. The No. 2 shaft has now reached a depth of 600 feet and a great deal of underground development work has been accomplished. The management has been directing its efforts to proving ore bodies of commercial value sufficient to justify the erection of a mill, and though it cannot be said that San Antonio is a proven mine, it has gone a long way towards that end. There are several faces in ore in the underground workings and much has been done towards proving up the somewhat complicated geology of the underground structure. Within a very short time, John Reid will visit the property and with the information now available, it is anticipated, will be able to give opinions as to what may be expected of the property. The actual underground work is a complement to a diamond drilling programme carried out earlier.

One of the outstanding features of the property is the really tremendous amount of work which has been done for the money expended, it being perfectly evident that development has been sound, and that the utmost care has been taken in husbanding the resources of the company. No effort has been made to actually block out ore and it would not be easy to determine ore in sight. There are unquestionably large bodies available, but the lense formation of these bodies makes it all the more advisable to determine very thoroughly the geology of the property, thereby eliminating the greater part of the risk in searching for new and further ore bodies. Most of the underground work has been carried out under Rice Lake and some idea of what has been done may be gathered from the fact that up to date something over 5,000 feet of underground work has been carried out.

Eldorado

Two and a half miles from the Central Manitoba Mines Limited, is the Eldorado, now down more than 500 feet and busily engaged in proving theories formed from surface indications. Eldorado is still in the prospect stage but is rapidly nearing the time when it will be possible for its managers to determine its ultimate possibilities. Also, within a short distance, is the King Fisher on which considerable work is being done this year.

Cryderman Group

Seven miles to the north of Eldorado is the Cryderman property, once under option to the Mining Corporation, but now under option to another group and on which most important discoveries have been made during the present summer. The Cryderman, it is believed, will eventually be one of the most important properties in this section. New veins have been disclosed in the season's surface work and some of these are of encouraging length and strength.

Gabrielle

Gabrielle at Rice Lake will continue its drilling program, the first part having worked out successfully. Four holes were drilled at various angles, directions and depths around the location of the No. 1 shaft. The first of these was a vertical drill hole three feet west of

(Continued on page 19)

Liquidation to Care For Loans is Blamed For Mine Share Drop

All Leaders Showed Weak Tendency as Forced Selling Appears

BANKS TIGHTEN UP

Large Holders of Mine Shares Are Called Upon to Take Up Stock

Just at the time when everyone was figuring that the mining market was at the bottom, some of the leading stocks joined in the downward movement. Hollinger and Wright Hargreaves got their bumps some time ago. This week Teck Hughes, Lake Shore, McIntyre, Sudbury Basin, Hudson Bay, Noranda, Mandy and Sherritt-Gordon, joined in the slump.

Brokers are inclined to lay the blame on the decline at the door of the banks. One broker said that he was approached by a man holding close to $100,000 in stock at his bank. He had been notified that the bank was not prepared to renew his loan and desired that he take up his stock. Naturally when he approached brokers to take over the burden from the bank, he met with a refusal. Ultimately he had to liquidate a substantial amount of the stock to take up the balance.

Another factor has been the breaking up of many small brokerage houses when their tickets were taken away by the Standard Exchange. This resulted in further efforts to switch from one house to another and undoubtedly occasioned a great deal of liquidation.

Brokers state that they believe that the bulk of the selling from these sources is about over. They believe that the market is pretty well sold and think that it is just a matter of patient waiting until a turn for the better comes. They believe that the present money stringency is temporary and due to the heavy demand for funds to handle the crop movement.

Three Surprises

There were three real surprises in the break of the week, Teck Hughes drop to below $9, Sudbury Basin to close to $6 and McIntyre to $20. The amount of Teck Hughes liquidated in the week totalled 53,730 shares or nearly double the amount sold during the previous week. The low mark was 8.80 but there was quite a lot of the stock out at $9. Teck yields about 7 per cent. at this level and has excellent chances of appreciation when conditions improve.

The sales of Sudbury Basin indicate that liquidation has been going on since July 18 during which time transactions have totalled 243,000 and the price dropped from $9.50 to $6.25 and later strengthened to $7. Sales in the past week totalled 94,000 shares and it is said that two large brokerage houses have been selling. One of them is said to be involved in the Standard Bank Commerce deal and there is a desire to improve this situation before the bank merger is finally consummated.

Properties Look Good

As far as the operation is concerned, reports from the company's various properties are excellent and it is understood that the insiders have been picking up as much of the cheap stock as they can handle.

McIntyre was selling around 26 and 27 until the annual meeting when the shares started to ease back and stabilized around $22 for some weeks. Sales during the past week totalled close to 6,000 shares or double the total of the previous week. Brokers say that McIntyre shares are involved in the same way as the others. They also say that the closing down on clients in accepting Hollinger as collateral, was also a factor in the break of that stock.

Lake Shore is within striking distance of the $20 mark while Hollinger shares have strengthened getting back to as high as $11 but weakening again when some new selling came in and buying had dried up.

The situation as it stands today seems fraught with uncertainty. It depends on how far the banks intend to go. If it is decided that the amount of money on loan with mining stocks as collateral must be further curtailed at this time, then it will mean that the market must work lower. Only time will tell which it is to be.

Tax Relief for B. C. Mines Now Expected

British Columbia mine operators are hopeful of better things in the way of mine taxation as a result of the change of Government.

Before the election Hon. Dr. Tolmie, Conservative leader and premier-elect, promised that he would have a complete investigation and study made of the Ontario and Quebec mine tax laws with a view of improving the situation in his own province.

For some years the mine operators of British Columbia have urged the Provincial Government to adopt the Ontario system which is a tax on profits in place of the present royalties system.

McINTYRE AGREES TO MOFFATT-HALL REFINANCING PLAN

Will Provide $35,000 Working Capital With Option on Further Interest

By Staff Editor

HAILEYBURY. — The Moffatt-Hall-McIntyre deal will be submitted to the Moffatt-Hall shareholders for ratification at a special general meeting to be held for that purpose at Haileybury on Saturday, August 25.

Notice of the meeting together with an outline of the deal, which the directors recommend to the shareholders, and proxy forms in favor of L. R. Moffatt, president of the company, and C. F. Tuer, secretary-treasurer, have been forwarded shareholders.

The notice sets out that Moffatt-Hall at the present time has $60,000 cash in its treasury, and 800,000 shares of unissued stock, and is faced with re-organization to permit of an exhaustive development of the property.

Financing of further development will be completely taken care of under the agreement with McIntyre which the shareholders are asked to ratify.

This calls for the formation of a new company and the transfer of the present Moffatt-Hall assets to it. Old shareholders will get one share of new for two shares of old. McIntyre agrees to purchase 101,449 shares of the new company's treasury stock in eight equal monthly instalments at 34½ cents a share. For this undertaking McIntyre receives the right to a purchase option on the remaining shares of treasury stock at the same price, and to purchase this stock, as long as the option remains in force, at such a rate as to provide the treasury $5,000 per month, the entire transaction to be completed within five years.

Under this agreement McIntyre therefore undertakes to provide a sum of $1,000,000 for development work, if development warrant but its present commitment is $35,000 to be paid in eight monthly payments.

In the event of the Moffatt-Hall shareholders ratifying the action of their directors, it is stated that McIntyre has planned to carry out considerable preliminary exploration work before the snow flies.

Lucky Tiger Values High—Zone Narrow

From Our Own Correspondent

AMOS.—Encouraging results are being secured by the Lucky Tiger Mines in its diamond drilling campaign in the Malartic area. Values obtained in five holes ran as high as $43 over a narrow stoping width. An intensive geological survey is now being made in a search for a wider occurrence of commercial ore.

A crew of 14 men are working on the property under the direction of C. M. Heron, E.M.

Oil Hunt in Alberta Becomes More Intense

The hunt for oil in Alberta is becoming more intense than heretofore. Reports of new and well sponsored operations are being issued steadily. Turner Valley, where the most spectacular results have been met with, is the centre of the bulk of the activity but scattered throughout the province and especially in the southern section there are derricks dinting the sky-line in numberless places.

A good idea of how developments are coming along may be secured by a review of the following headings taken from the most recent issue of the Calgary Oil Examiner which covers but one week's activity in the province. They read:

Wabash well at Morley in Limestone at 1,483 feet.

McLeod 4 near lime.

Imperial Drills for two new companies in Turner Valley.

Meridian Oils now drilling old Advance 3.

Mt. Royal preparing to resume drilling.

Norcon rigged up; to spud in soon.

Illinois 2 at 2,345 feet.

Denver Co. will commence very soon.

Prudential to start core drilling.

Freehold at 120 feet.

New McDougall-Segur No. 2 at 2,825 feet.

Spooner No. 1 doubles output. Now at 5,011 feet.

Okalta in lower Fernie shales.

Sasko-Wainwright making good time.

Lethalta at 875 feet.

Wainwell 2 at 400 feet.

Ranchmen's well now in fine condition.

Paramount ready to spud in.

Seneca at 4,655 feet.

Stockmen 2 may get limestone at 3,600 feet.

Alberta F and G at 330 feet.

Marland's Viking well at depth of 300 feet.

Eagle Butte well making good progress.

British Dominion past 70 feet.

Daily Productions

Latest daily oil production:

Royalite Nos. 1 and 3	2 bbls.
Royalite No. 10	8 bbls.
Canada Southern	15 bbls.
Royalite No. 11	28 bbls.
Home No. 1	16 bbls.
Foothills No. 2	30 bbls.
N. McDougall-S. Nos. 1 & 2	20 bbls.
McLeod No. 2	35 bbls.
Edmonton Wainwright	40 bbls.
British Petroleums No. 3B	40 bbls.
Dalhousie No. 5	44 bbls.
Spooner No. 1	50 bbls.
Illinois-Alberta No. 1	90 bbls.
Royalite No. 7	95 bbls.
Okalta No. 2	100 bbls.
Dalhousie No. 1	100 bbls.
Royalite No. 6	193 bbls.
Royalite No. 8	253 bbls.
Wainwells No. 1	360 bbls.
Royalite No. 4	500 bbls.
Home No. 2	Deepening
McLeod No. 1	Frozen
Vulcan No. 1	Frozen

NICKEL'S PROGRAM FOR FROOD MINE NOW WELL AHEAD

Directors Found Expansion Operations Further Than Expected

SMELTER STARTED

Plan to Have Mine Producing on 5,000-ton Basis by 1930

Directors of International Nickel returned to New York more than pleased with what they say at Sudbury. This particularly applies to the plans, now well under way, to bring the Frood mine into production. The directors in interviews in New York state that they found things much further along than they expected.

The company is facing an expenditure of about $18,000,000 on the Frood operation. About $4,000,000 has already been spent, mostly on the Frood property sinking the shaft and equipping the mine and diamond drilling. The remaining $14,000,000 will be spent on power and the new smelter but does not include the electrolytic refinery which has been talked of and final decision on which has not as yet been made.

The directors found that the substructure is completed at the power house and work has begun on the brick work. The turbines will be delivered late in the summer. By that time the building should be entirely inclosed so that installation of equipment can be completed during the winter. The same holds as to the progress of work on the surface equipment and plant at the Frood mine. This surface equipment at the Frood mine, from the looks of the work under way, should cost somewhere around $2,000,000. With the buildings inclosed by late fall, installation should be complete by spring.

Started on Smelter

At the smelter, excavation for the foundations for the new additions has been completed. It is understood that it is the intention to push the concrete work so as to have it completed by fall and the work of installing the new equipment pushed during the winter months.

Probably the smelter addition will be ready for operation in 1930 so that the Frood mine will be producing months ahead of the time first designated.

Underground work is progressing satisfactorily at the Frood mine, with the crosscuts probably entering the ore body on the different levels along in the fall. Nothing more is known about the ore body than in September when the drilling of the ore body preliminary to beginning of the deeper development was completed.

Outcrop 4000 Feet Long

This Frood ore body outcrops in International Nickel ground for about 4,000 feet and in places is as much as 200 feet wide. Above the 2,000-foot level the tendency is for the ore to be disseminated in character. Below 2000-feet the ore becomes more massive sulphides. As at present developed this ore body contains 100,000,000 tons of ore. Below the 2,000-foot level the grade of the ore in copper becomes much higher so that below 2,000 feet the ore body probably averages between 5 per cent. and 6 per cent. copper and 2 per cent. to 2½ per cent. nickel. Just what is the average value in precious metals, including platinum and palladium, cannot be stated, as the management is too conservative to make any estimates of the previous metal contents on the basis of only a few drill-holes in the deeper part of the occurrence.

Mine Below 2,000 Feet

Mining of the Frood ore body will begin below the 2,000-foot level where the richer copper-nickel ore is found. Company engineers have been studying the mines of southwestern United States, especially as to filling methods, as the company will take every precaution to keep the upper parts of the mine, where the ore averages about 2 per cent. to 2½ per cent. copper and 2 per cent. nickel, from being broken up by the mining of the lower levels first. Methods of mining the Frood ore body have been carefully studied by the management and a safe method of mining the deeper ore and filling the stopes has been worked out so that the upper parts of the ore body will be kept intact for extraction in later years, just as cheaply as if mining had progressed from the surface downward, as usual in mining ore bodies.

5,000 Tons Daily

Estimating the remaining expenditures at $14,000,000, it is probable that the cost of equipping and opening the Frood ore body for the mining of 5,000 tons of ore a day, with the surface plant equipped and laid out and the shaft and hoisting equipment installed to handle double that tonnage when it becomes desirable, will be about $5,000,000. About $1,500,000 remains to be spent on the hydro-electric installation and about $7,000,000 at the smelter.

McMillan Gold Mines Make Plans for Mill

McMillan Gold Mines, operating just outside the south-west rim of Sudbury Basin, has decided to increase its capital by 1,000,000 $1 shares to $3,000,000.

Part of the new shares will be sold and the proceeds with what the company already has in its treasury, will be employed to put the property on a producing basis, it being proposed to spend $1,000,000 on a mill, commencing in the fall. Developments on the mine are proceeding on the third and fifth levels.

Oro Grande Expects to Cut Vein on 500

News that Oro Grande has cut the vein on the 500-ft. level, is expected at any time now. This operation is northwest of Central Manitoba mines and is being carried on by an Ontario mining group. Considerable ore has been proven down to the 250-ft. level.

Heads New Mine

GORDON S. WESTGATE,

who will be president of the recently formed Sudbury-Rand Mines, Ltd., is president of Trans-Canada Insurance Co., president, Empire Trust Company, and vice-president, Canadian Silk Products, Ltd.

NEWBEC DRILLERS CUT HIGH GRADE TO EAST OF SHAFT

Shaft Will be Carried to 125-ft. Horizon and Drive Made to Ore

By Staff Editor

ROUYN.—Newbec diamond drills have cut high grade chalcopyrite. The drills operating 190 feet east of the shaft on Block 8 of the old Norbec group went out of the porphyry and into the high grade at a depth of 110 feet. Three feet of high grade chalcopyrite was cut and six feet of disseminated.

A second hole is now being put down at a steeper angle to cut the ore at a deeper horizon. The western limit of the ore appears to have been located but not the eastern. The ore dips eastward and will require further work to ascertain its extent in that direction.

The shaft will be carried down to the 125-foot horizon and a crosscut extended to pick up the ore cut by the diamond drills.

Newbec was organized to take over Norbec, Gold Pan and the McLeod claims near Pelletier Lake. Under the organization plan the different interests entered into an agreement to pool their respective stock interests in Newbec until Aug. 1, 1928. On the breaking of the pool it is understood that the Gold Pan block was sold for delivery, but that the Norbec block will be held by its owners.

The Newbec developments are being closely followed by Noranda, as the big Quebec operator holds a considerable block of Newbec stock, and is interested in its possibilities as an additional source of supply for its smelter.

The Newbec operation was recently inspected by Noranda's general manager, E. Hibbert.

Laval Expects to Cut Wide Zone at 300-ft.

Laval Quebec is now drilling to cut a huge zone showing on the McCool group of its Serpent River Basin group, west of Sudbury. On surface, this zone is 4 to 12-ft. wide and carries copper-gold values. The drills will cut it at a vertical depth of 300-ft. The zone is in pediments adjacent to a large diabase dyke.

DIRECTORS GIVE SHARES

Ogdad Mines directors, who are operating in Atlin district of British Columbia, have placed a block of shares at the disposal of the company to raise additional working capital.

HOLDING SHARES IN SUBSIDIARIES IS QUESTIONED

Speculative Possibilities Are Curbed When Big Operators Control

NEWS IS WITHHELD

Consolidated Smelters and Noranda Dominate Ventures with Public in Minority

Is a speculator fortunate in holding shares in a mining operation taken over by a large concern? Big Missouri in B. C. and Waite-Montgomery in Ontario are examples of the kind of operations meant, the former being taken over by Consolidated Smelters and the latter by Noranda.

To make a speculation in a stock profitable, there must be market appreciation. Two ways of achieving this are a steady flow of good news or a pool operation, and even with the latter there must be a dissemination of considerable information. When an operation is a subsidiary it generally precludes the operation of a pool—but not always as evidenced by the action of Coast Copper — a "Smelters" subsidiary in the last 12 months, hence in most cases the appreciation must come from good news.

Foresight Needed

Dissemination of news to shareholders depends generally on the contract made with the operator by the subsidiary's directors. If the contract calls for free access to all records or copies of all reports, shareholders have a chance. Howey's experience with Dome is an example of this. Pres. Jack Hammell knew at all times what Dome was doing. Waite-Montgomery is an exact opposite. Minority shareholders representing about 20 per cent., were not protected in the drafting of this deal, and consequently, they seemingly know nothing more than the ordinary person on the street. Another instance is Lebel Oro, a Kirkland Lake operation, now in the hands of Nipissing. Some effort was made to protect the minority in this regard, but it seems difficult to get any news.

Has Many Subsidiaries

Consolidated Smelters of British Columbia has more subsidiaries with shares in the hands of the public than any other operation. These include Coast Copper, Sunlock, George Copper, and the most recent acquisition, Big Missouri. The amount of news available on these operations is negligible. "Smelters" annual report dismisses each with a paragraph. The minority shareholders must look elsewhere for news. Coast Copper shareholders get an annual report which helps materially but during the intervening period between reports, they know nothing.

There has been heavy buying of Big Missouri of late due to the fact that a large payment was due and there was a question of whether "Smelters" would go on with the venture or not. They did go on, but the developments which led them to are not in the possession of the minority shareholders.

Had No Knowledge

Practically all these "Smelters" stocks have shared in the leadership in the bull market for British Columbia shareholders with minority shareholders sitting in the sidelines and wondering what it was all about. They could not know that the wild flurries in the stock had nothing whatever to do with the mining position of their enterprise. Undoubtedly many of them thought that there were spectacular property de-

(Continued on page 19)

Lake Geneva
Mining Co., Limited

Towagmac
Exploration Co.

This month's issue of the Mining Chronicle contains a complete analysis of the above companies.

We will be glad to mail you a copy upon request.

ADel. 9461.

F. J. Crawford & Co.

Members Standard Stock and Mining Exchange.

11 JORDAN STREET - - TORONTO 2

Mowat & MacGillivray

MEMBERS MONTREAL CURB EXCHANGE

MEMBERS STANDARD STOCK AND MINING EXCHANGE

New York Stocks, Mining Stocks, Montreal and Toronto Stocks

128 Sparks Street - OTTAWA

*Queen 2800 Private Wires

Branch Offices: — Cornwall, Belleville, Brockville, Pembroke and Hull, Que.

ORDERS EXECUTED ON ALL EXCHANGES

SIX FACES IN ORE AT ELDORADO, CEN. MANITOBA

Drifting on Three Levels Both Ways Has Now Got Into Values

Eldorado Mines, Central Manitoba, is now into the ore in drifting both ways on the three levels on which operations are being pushed.

Driving west from the shaft the drifts on the vein were run almost 500 ft. before real values came in and they have been encountered on all three levels. The point at which values were met on the different levels indicates a rake of values to the east. Widths are running 4 to 5 ft. and more. Assays have been run but manager Gilbert Labine says he would like to prove up substantial lengths and average the assays before making any statement on values. All the ore is commercial.

The southeast drift indicates further a rake in that direction as on the 125 values came in at 300-ft., while on the 500 they were not picked up until an additional 100 ft. had been driven. Considerable visible gold is found all through the ore since encountered on the 250-ft. level drift in this direction.

Eldorado is now in a position to make ore fast with drifting in ore proceeding in six faces simultaneously.

SEEKING MARKET FOR CONCENTRATES OF SUDBURY MINE

Product of Errington Will Likely go to European Buyers

Concentrates produced by Errington Mine operation of Treadwell-Yukon at Sudbury will be sold to European buyers through New York. Frank M. Smith, smelter director of the Bunker Hill & Sullivan Mining & Concentrating, and representative of the Bradley interests, is in New York for several weeks, arranging for the marketing of these copper, lead, and zinc concentrates, says Engineering and Mining Journal. A 250-ton pilot flotation plant is now operating on the lower-grade ores from the west-end orebodies. This plant is to be followed by one of much larger capacity as soon as the ore reserves are completely defined.

Zinc and lead concentrates will undoubtedly be sold to European smelters. New York representatives of the more important European zinc and lead smelters are conferring with Mr. Smith during his stay in the East, although the contracts may not be awarded for several weeks. Zinc and lead concentrates likewise must be sold abroad, as the United States import tax on lead and zinc makes importation into that country out of the question. Copper concentrates will find a market at one of the plants on the Atlantic seaboard, in all probability.

Monthly concentrate production at the Errington mill at present is 100 to 150 tons of 15 per cent. copper concentrates; 100 to 150 tons of 50 per cent. lead concentrates, and 750 tons of 48 to 50 per cent. zinc concentrates. Concentrate output of the present plant will be increased as soon as the higher-grade ores from the east-end orebodies become available.

VIPOND MAY HAVE BETTER ORE SHOOT

Drift on No. 9 Vein Opens Good Values—Face Still in Good Ore

Vipond encountered some high grade ore in stoping and as a result the earnings for the quarter ending July 31 reached $187,000. Tonnage was 22,455, and this works out at $8.32 per ton. The previous quarter totalled $155,000, from 20,745 tons, or $7.50 per ton.

R. S. Dening, managing director, says that during the latter part of July an ore shoot was encountered in the drift on No. 9 vein at the 733-foot level, giving ore of commercial grade over drift width for a continuous length to date of 50 feet, with the face still in ore. As this occurrence corresponds with certain surface indications it may prove to be of importance.

Making Good Progress Opening Big Missouri

Good progress is being made in opening up Big Missouri property by Consolidated Smelters. Pres. Gregory, of Big Missouri Company, was recently at the property accompanied by an engineer and Tacoma is said to have received the following report from him:

Total length of the tunnel in Big Missouri is now 1,850 feet. At 1,775 feet a high-grade vein was cut showing free gold assaying over $98 to the ton over five-foot width. One round on each side showed that values continued, and one high-grade sample was very spectacular.

A diamond drill hole from the tunnel cut this same vein forty feet from position in tunnel, showing assay of $56, over five feet in width. The diamond drill holes from the breast of the tunnel were badly curved and both came to the surface.

At 760 feet one core showed another vein with free gold assaying $20. At this point the back is 650 feet to the surface.

The immediate plan of development includes continuation of tunnel an additional 600 feet to the original objective which should cut the vein showing high-grade in the shaft on the surface, also drifting on the five-foot vein in the tunnel.

T.-CADILLAC LOOKS WELL

Thompson-Cadillac Mine is opening up nicely underground, according to Manager Murray D. Kennedy. He will soon have his assay plant working and meanwhile is driving on the 150 and 300-ft. levels.

C. I. COULTER & CO.
MEMBERS STANDARD STOCK & MINING EXCHANGE
OFFER A COMPLETE BROKERAGE SERVICE AND BOARD ROOM FACILITIES
120-2 RICHARDSON BLDG. COR. ADELAIDE & BAY STS.
PHONE: AD. 9465-6-7-8-9
20

Proving Sherritt-Gordon in Area Called Worthless Means Much to Manitoba

Cold Lake Geology Found Different From Any Other Camp

TWO ZONES PROVEN

Sherritt Has Completed 73 Drill Holes—Four Other Groups Being Drilled

The geology of the Cold Lake district, according to Dr. J. F. Wright of the Geological Survey, writing under date of July 22, differs markedly from that of the mining camps hitherto developed in the Pre-cambrian of Northern Ontario. Quebec and Manitoba. Instead of the usual greenstone or volcanic series of rocks, so familiar to prospectors and mining engineers from these mining camps, the formation carrying the copper-zinc deposits in the Cold Lake district is a series of sediments now altered to light grey and black garnet-bearing gneisses. This thick series of gneiss is cut by numerous dykes and sills of pegmatite and granite, but basic intrusive rocks, such as are usually associated with the sulphide deposits of northern Quebec and Ontario, are only locally present in very small masses and are much older in age than the period of ore deposition.

Means Much to Manitoba

The discovery of a large commercial sulphide body in this series of very old gneiss of granite and dioritic appearance is of great importance to the future of the mining industry of Manitoba, for a very large area, heretofore considered by some to have little promise as a prospecting field, now must be considered worthy of the most careful search for additional deposits. At present the areal extent of this series of old sedimentary rocks and potential mineral belt is unknown.

At Cold Lake the outstanding development is at the Sherritt-Gordon. On this property two main ore-bodies have been explored by diamond drilling and are known as the east and west deposits. The intervening area of some 1,500 feet along the strike between the two deposits has not been explored and is largely drift covered. In all 73 diamond drill holes have been put down, many of them to intersect the ore-body at from 300 to 400 feet in depth, but a few deeper holes have also been drilled, the deepest intersection, however, being on the 1,100-foot level.

Metal Content of Ore

The main metals are copper and zinc with a small amount of gold. The chalcopyrite and sphalerite are irregularly distributed throughout the mineralized zone, in one pit chalcopyrite is the abundant sulphide, whereas in the next pit 50 or 100 feet along the strike sphalerite predominates with only a small quantity of chalcopyrite. The deposit is of the replacement type; the copper and zinc sulphides, together with pyrrhotite and pyrite, have penetrated joint planes and replaced the acid and basic sedimentary gneiss and the pegmatite along a zone where the rocks have been severely crushed at the time the sedimentary gneiss was folded. The source of the metal-bearing minerals must be assumed to be from an intrusive body below the present surface and the deposit is of a type that is likely to continue much deeper than at present explored.

Length of West Zone

The west ore zone has been traced some 6,400 feet along the strike, and dips fairly uniformly at an angle of about 45 degrees to the northeast. The west shaft, now down 250 feet, will intersect this ore-body at the fifth level. The east ore zone has been traced over 4,000 feet along its strike. This deposit, however, is not so uniform in dip and strike as the west deposit, the dip changes from about 50 degrees northward to vertical and on the east end the dip is southward. The trend of the ore zone also changes gradually eastward from southeast to northeast. The east shaft, 7,200 feet eastward from the west shaft, is now down 250 feet, and in the crosscut from the 125-foot level, 30 feet of good grade copper ore has been cut. The company plans to continue shaft sinking, also to drift and crosscut to the ore-body on several levels.

Four Others Drilling

Diamond drilling is also in progress on four other properties in the vicinity of Cold Lake. To the northwest of the Sherritt-Gordon property, Cold Lake Mines is diamond drilling a belt of acid gneiss forming the footwall of the Sherritt-Gordon deposit. On the Willsie group, 4 miles north of the Sherritt-Gordon, the Atlas Exploration Company is diamond drilling a long shear zone in acid gneiss, and at a few points carrying some chalcopyrite. On the Smith-Pride, 3 miles west of Sherritt-Gordon, a small lens of zinc ore has been discovered, and at present is being drilled. Sherritt-Gordon Mines are also drilling a zinc showing on the Elkan group, about 10 miles east of their main property. On these properties the work has not yet progressed far enough to prove the presence of commercial ore-bodies of large tonnage.

Huronian Belt Subsidiary Has N. S. Operation

Huronian Belt Co. is taking an active part in Nova Scotia mineral development and through Scotia Mining Exploration Co., in which it has a substantial interest, is now exploring an antimony deposit, the West Gore which in 1915 produced 683 tons of antimony ore. When treated this gave in addition to the antimony, 1,700 ounces of gold and the total value per ton was around $300.

This property since it was first opened in 1905 has produced 4,959 tons of ore and this contained 6,955 ounces of gold.

SMELTERS GETS TWO PROPERTIES NEAR SMITHERS

Second Large Operator to Enter Rich Area—Activity Becomes General

Consolidated Smelters has entered the rich Smithers B.C. section close to where Federal Mining and Smelting took up the Mohawk recently. Smelters has taken two groups. On Telkwa River in Babine country, it secured the Dockrill and also took over the Harvey in the Babine range and is preparing to try out the fine showings of copper-silver ore on that property. It is only twelve miles from Smithers, on the slope of the Babine range towards the railway.

On Hudson Bay Mountain, Angus Chisholm, prospector, has made a new discovery of high-grade galena close to the Silver Lake group and on a high plateau above the Schufer property. He has already made several open cuts and this and proven nearly 1000 feet in length on the vein. A shaft sunk to a depth of about eleven feet shows three feet wide of clean galena which will run from $150 to $200 per ton across the three feet.

R. W. Haggen of Vancouver is surveying the Hyland Basin group in the Babine range for the Alexandria Gold Mines Ltd., which recently took over the option on this property from E. G. Brown.

Development work is being carried on by P. J. Higgins and crew for the Babine Silver King Mining Co. on its Babine range property. The principal work now being done is continuation of a drift tunnel on high-grade silver ore.

MINT ORE SHAFT NOW DOWN 18 Ft.

Company Plans Opening Up Dome Vein Which Has Good Length and Width

Mint Ore Mines, adjoining Jackson-Manion, at Woman Lake on the south, has started shaft sinking and is now down 18 feet. The work is on the Dome vein, which has been stripped for 1,200 feet and is 195 feet wide at its greatest and 40 feet at its narrowest. Values on surface run from $4.10 to $103.00.

A large porphyry body, running north and south in another part of the property is paralleled by a series of quartz veins giving high gold and silver values, while the porphyry, 12 feet wide, runs about $10 in gold. These veins are being opened up and trenched.

Pioneer Now Driving to Cut Indicated Ore

At Cooper Gold Mines, Michipicoten, the shaft on the Jubilee Break was completed to an incline depth of 548 feet. Crosscutting to the ore body indicated by diamond drilling was commenced on the third and fourth levels, and at the end of July these crosscuts were about 35 feet in from the shaft at both levels.

It is expected that the ore body will be reached at approximately 100 feet from the shaft.

MANGANESE and CHROME Steel Parts for
Jaw and Gyratory Crushers, Crushing Rolls, Ball, Rod and Tube Mills, Forged Chrome Steel Grinding Balls. Sizes 1¼ to 6" diam.
Canada Electric Castings COMPANY, LIMITED
Orillia - - Ontario

KEELEY'S ASSETS ARE NOW WORTH 54C. PER SHARE

The decline in the fortunes of Keeley Silver Mines is quite apparent on studying the report for the year ending February 29 and which has just been issued. Gross revenue was off near $400,000 and when all costs were met and dividends, taxes and depreciation taken care of, the net fell $23,909 short and this amount was deducted from surplus account which now stands at $705,939. Silver production was off 650,000 ounces. The company reports that it received an average of 56.7 cents an ounce for its silver compared with 58 cents the previous year.

Costs per ounce of silver produced were up from 29.41 cents to 35.25 cents, due principally to the decline in output during the last six months of the period.

Current net assets standing at $1,089,987 are up $35,957 and now equal 54 cents per share on the outstanding capital stock.

W. J. Dobbins, mine manager, makes no estimate of ore reserves but says it is hoped to maintain present rate of production for a few months. Exploration work is still being carried on. He says Dr. H. C. Boydell is considering the advisability of deep exploration of the property. He says that no new ore was encountered except a small amount in one raise. Mining Corporation did some work at depth in the north part of Keeley property but found the veins barren of silver values.

The report for the first quarter of the present fiscal year, up to July 31, says several small high grade shoots were encountered. Production was 181,013 ounces of silver and 33,422 pounds of cobalt. This is an average considerably below the 1927-8 figures. The report does not mention Keeley's other activities. These will likely be discussed at the annual meeting. Balance sheet and profit and loss figures follow:

Production to Date

	Lbs. net	Silver ozs.	Cobalt lbs
1913	322	872	......
1914	2,327	3,183	......
1918	145,048	39,557	1,361
1919	31,766	4.565	3,160
1920	119,770	8,253	9,896
1921	676,411	313,230	60,566
1922, 14 mths.	2,286,497	1,146,961	196,927
1924	1,973.832	1,600,739	171,557
1925	2,668 241	1,880,351	228,430
1926	2,077,548	1,514,407	181,654
1927	2,064,742	1,640.007	185,830
1928	1,203,208	994,583	92,962
Total	13,249,714	9,146,714	1,131,255

INCOME AND SURPLUS ACCOUNT
Years ending Feb. 28

	1928	1927	1926	1925
Gross revenue	$ 632,728	$1,042,259	$1,144,374	$1,428,874
Less—				
Dev. costs. etc.	308,525	430,640	406,326	482,593
Office exp.	35,195	33,349	36,352	37,282
Taxes	16,442	39,572	56,780	73,692
Depreciation	56,474	55,875	55,161	52,339
Writ. off shares	......	......	7,499	......
Profits	216,091	482.823	582,256	782,968
Dividends	240,000	480,000	480,000	480,000
Surplus for year	x23,909	2,823	102,256	302.968
Previous surplus	720,725	708,516	606,260	203,292
Tax adjustment	9,122	9.386	......	......
P. & L. surplus	$ 705,939	$ 720,725	$ 708,516	$ 606,250

x—Deficit.

SUMMARY OF BALANCE SHEET

	1928	1927	1926	1925
Assets—				
Property	$1,491 092	$1,491,092	$1,491,092	$1,491,092
Plant	95,525	149.952	201,840	251,076
Total	1,586,617	1,641,044	1,692,932	1,742,168
Cash	121,454	248,330	226,779	317,571
Bonds	999,134	946.244	850,194	653,344
Ore on hand	80,564	168,293	270,878	231,860
Accts.	12,912	12,780	18,236	15,094
Inventories	18,822	25.588	24,276	25,269
Other company shs.	24,043	19,491	1	......
Deferred charges	5,291	6,160	6,092	6,268
Liabilities—				
Capital stock	$2,000,000	$2,000.000	$2,000,000	$2,000.000
Dividends	80,000	240,000	240,000	240,000
Accts.	16,701	25,178	29,412	30.673
Reserve for taxes	46,197	82,027	111,459	114,642
Surplus	705,939	720,725	708,517	606,259
Total	$2,848,837	$3,067,930	$3,089,388	$2,991.574

LARTIC OPERATION NOW IN CONTROL OF NEWBEC MINES

Plant Being Taken Into Quebec Gold Area—Surface Work Proceeding

By Staff Editor

AMOS, QUE.—Lartic Mines is taking a complete mining plant into its property to permit of shaft-sinking to depth. The plant consists of two 60 h.p. boilers, and a 528 cu. ft. compressor. A road has been completed to the property, and several additional camp buildings erected.

The mining plant will permit of sinking operations to a depth of 1,000 feet but 250 feet will be the present objective.

Development work at the Lartic is being carried out by Newbec Mines under an agreement entered into in the latter part of June. Newbec receives a stock interest for the development it carries out, and an option on a further block which will give it control, should results obtained induce it to exercise the option.

Newbec consummated the deal after the Lartic property had been examined by Newbec's engineers, L. K. Fletcher, T. H. Rea, and L. G. Smith.

Operations are now being carried out under Mr. Smith's direction, and some 400 feet of stripping and trenching have been done, since he took charge.

The Lartic property is situated in Malartic Township. The Thompson-Cadillac ties on to it to the south, and Pre-Cambrian Holdings to the east. The property consists of a block of 800 acres, 12 claims located on the western boundary of Malartic township with one claim carrying over into Cadillac Township.

Charles B. Morgan, E.M., in reporting on work carried out by him during the summer months of 1926 and 1927, states:

"The geology of this section is identical with the occurrence of the Kirkland Lake Camp. The predominating rocks are sedimentaries of the Temiskaming period, consisting of fine and coarse grained conglomerate, greywacke and slate and then metamorphic derivatives.

"On the northern portion of these claims a broad belt of porphyry intrudes the sedimentaries with an approximate east and west strike, while on the southern portion a felsite porphyry dyke extends across the southern portion of the township.

"The principal vein on this group outcrops near the centre of Lot 4, Range 3, and has a northwesterly by southeasterly strike, a slight dip to the north and with an apparent rake to the east.

"The mineralization in the vein is exceptionally heavy and consists of pyrite, arsenopyrite, both fibrous, in cubes and massive pyrrhotite in large masses, some chalcopyrite, small quantities of galena and spartric iron, etc.

"The central portion of the vein is well mineralized and well schisted and samples cut over 3-foot sections assayed as high as $19.20 per ton in gold. A 3-foot section in solid pyrrhotite assayed $12 per ton in gold, and visible gold in coarse grains were also found in it. A 9-foot section in open cut No. 15 assayed $9.60 per ton."

The gold was principally found in the fine grained iron pyrite, especially if associated with chalcopyrite and some coarse gold was found in massive arsenopyrite.

A shaft was sunk to a depth of 57 feet and drifting and crosscutting started at the 50-foot level. Conditions in the shaft were identical with surface conditions but the shaft was too shallow to reveal any new information.

In conclusion he states that considering the phenomenal amount of sulphides, arsenides, and other minerals existing in the vein, and also the amount of gold which may be panned from the pay streak in the vein for the entire length of the outcrop, and the good average values obtained from the sulphides, I have no hesitation in recommending additional development work, and feel that if this is intelligently performed that success will crown your efforts.

Wide Zones Indicated on Pipestone Groups

Pipestone Bay section is coming into prominence because of the richness of the discoveries being made. E. S. Henley, a well-known engineer, has brought some samples of Pipestone ore to Toronto. It is slathered with free gold. Mr Henley says that the Madison vein is 50 to 80 feet wide and runs high in gold. One channel over 78 feet is reported to have given a $50 average.

Lawrence Gold and Silver Syndicate owns a group adjoining and which is between the Madison and the holdings of Sandy McIntyre. There are seven men on this property and it is expected that surface work will reveal the extension of the Madison ore zone. The formation in this section is syenite porphyry.

Marriott Wants Funds For Underground Work

Marriott Mines annual report shows that a great deal of surface work and drilling has been done on the property. The company's engineer has now recommended underground development and the directors are seeking finances to that end. The company has 2,200,000 shares available.

Chibougamau Air Service
Passengers and freight carried by air between Oskelaneo, P.Q., and the gold fields at Chibougamau.
LOW RATES - DEPENDABLE SERVICE
Write, Telegraph or Telephone for Rates and Reservations
Fairchild Aviation Limited
GRAND'MERE - - P. Q.

SISCOE GOLD MINES LIMITED
A special review of this property and its possibilities may be had on request.
—soon to be the first gold producer in the Province of Quebec!
MOUNT CO. LIMITED
Members Montreal Mining Exchange
4 HOSPITAL STREET, MONTREAL
Telephone MAin 7327

62 FRONT STREET WEST TORONTO 2, ONTARIO
25 BROADWAY NEW YORK CITY
SCHLUMBERGER
Electrical Prospecting Methods
16 YEARS' EXPERIENCE IN THE FIELD
TWO INDEPENDENT OPERATING METHODS
ORE EXPLORATION AND STRUCTURAL STUDIES
REFERENCES AND FULL INFORMATION ON REQUEST

Turn Your Camp Catering Over to Experts!
Crawley & McCracken are catering experts, organized and equipped to handle every detail of your commissary department — to bring in supplies, furnish all utensils, and install and supervise a staff of trained cooks, helpers and waiters who will give your men the good, well-cooked, well-served food that keeps them satisfied and efficient.
Our quantity buying, scientifically-planned menus and years of experience make possible better catering, in lower cost, than you yourself can do.
Write today for details of our remarkable service.
Crawley & McCracken Co. Limited
84 ST. ANTOINE ST., MONTREAL

Sutcliffe Company Ltd.
CONSULTING ENGINEERS and ONTARIO LAND SURVEYORS
NEW LISKEARD, ONTARIO

JAMES W. SEWALL
Consulting Forester
OLD TOWN, MAINE

UNLISTED MINING STOCKS
BOUGHT—SOLD—QUOTED
The following prices are subject to confirmation:

	Bid	Asked
Astoria Rouyn	.07	.10
British Canadian	.09	.12
Bunker Hill Extension	.10	.15
Callinan Flin Flon	.63	.68
Creighton Fairbanks	.60	.70
Harker Gold	.18	.22
Marshay Zinc Units	19.00	23.00
Ostrom	.08	.11
Pandora Units	40.00	50.00
Rouyn Gold Pan	.30	.35
Wood Kirkland	.15	.20
Brownlee	.12	.14
Patterson Copper	.27	.33
Red Lake Centre	.12	.16
Telluride	..	.37

Other Stocks quoted on application
PHONE—WRITE—WIRE
JAY L. FRANCIS & CO.
45 Richmond St. West Toronto 2
Adelaide 9912-7444

Pocket pouch 25c
Large tin $1.50
Herbert Tareyton London Smoking Mixture
THERE'S SOMETHING ABOUT IT YOU'LL LIKE

BRITISH COLUMBIA MINES
Latest information contained in our Weekly Market Review. We act as Brokers only.
R. P. CLARK & CO. (Vancouver) LIMITED
with whom are associated
McDonald, Jukes & Graves, Ltd.
823 Hastings St. W., Vancouver, B.C.
Members: VANCOUVER, VICTORIA, Calgary Stock Exchanges; Winnipeg Grain Exchange; Spokane Standard; Montreal Curb, etc.

Will Noranda's Success be Repeated?

ADMITTING that Noranda will prove to be one of the world's greatest copper mines, the question naturally arises—Is Noranda an unusual occurrence in the geological formation of Northern Quebec, or will further exploration uncover commercial ore bodies equally as valuable?

Every day vast bodies, rich in ore, are being uncovered. Noranda is not an unusual occurrence. It has a rival in Abana. If Abana continues finding rich ore bodies the way it is doing, it looks as if it might equal Noranda.

Furthermore, "The Mining News" of July 18th says of Abana: "While it is impossible at this stage to give any definite estimate of indicated ore, it is quite conservative to say there are potential reserves of a million tons of $26.00 ore down to a depth of 500 feet. A year ago we predicted reserves of $60,000,000. We still stick to this prediction, but naturally the older we get, the more conservative we become. As barely one-fifth of this immense mineralized area covering over 50,000 square miles has been explored, we believe the future holds even greater potentialities."

Canada Quebec Mining Corporation owns several groups of claims throughout this area. These properties are the cream of 3 years of exploration work. In one season alone 1,400 claims were prospected and surveyed, and of these only 28 were selected.

We recommend the stock of the Canada Quebec Mining Corporation, Limited, as a sound mining speculation of the highest type. Owing to the diversified location of its properties its chances of success are nine in ten.

INITIAL OFFERING PRICE 35 CENTS PER SHARE
These shares may be purchased through your own broker or direct from us.
WILLIAMS, BROCHU & Company
INVESTMENT BROKERS
MINING DIVISION
Transportation Building
MONTREAL

USE JOLIETTE STEEL CASTINGS

MARCY BALL MILL LINERS
JOLIETTE TISCO MANGANESE and OUR ENGINEERS Will Solve Your Steel Casting Problems
We Specialize in the Manufacture of Steel and Alloy Castings of every design for
BALL MILLS, TUBE MILLS
ROD MILLS and CRUSHERS
OUR "MADE IN CANADA" MANGANESE STEEL HAS PROVEN EQUAL TO THE VERY BEST IMPORTED PRODUCT
PROMPT DELIVERIES ASSURED
JOLIETTE STEEL LIMITED
JOLIETTE, P.Q.
All steel manufactured under the supervision of Taylor-Wharton Iron & Steel Co., High Bridge, N.J.

MINING SHARES ARE NOW BELOW AVERAGE OF 1926

General Decline of About Third Below November Bull Prices

WHERE IS BOTTOM

Loss First Two Weeks in August Quite Sharp and Was Quite General

Dominion Bureau of Statistics weighted index of mining stocks shows that gold and silver stocks are selling at substantially lower levels than at any time since 1926. The base of 1926 at 100 is used for the index, and it shows that eleven gold stocks are now at 91 compared with a high of 139 last November, when the bull market was at its height. Four silver and miscellaneous stocks are at 78 with a high of 129 last November.

Two copper issues, Noranda and Amulet are away above the last year mark but have eased a little of late.

The index figures picture quite clearly the drop that has steadily taken place in the mines. The task is to guess the bottom. The decline in the first two weeks of August was quite sharp and may indicate that the worst is not over yet, though the market is showing some signs of reviving.

The index figures for 1927 by months with weekly figures for part of 1928 follow:—

Number	Gold 11 issues	Copper 2 issues	Silver and Misc. 4 issues	Total Index 17 issues
1927				
January	113.1	132.3	116.5	116.0
February	120.1	124.6	122.2	120.8
March	119.6	128.9	109.1	120.2
April	118.4	123.4	106.6	118.3
May	122.5	136.5	101.1	123.0
June	118.1	130.4	101.3	118.7
July	121.4	134.7	113.2	122.7
August	125.7	150.0	116.3	128.5
September	134.2	163.6	112.7	137.0
October	139.7	175.2	125.1	143.8
November	139.4	163.3	129.3	142.1
December	136.3	155.5	123.8	138.2
1928				
Week ending				
April 5	119.6	108.1	99.8	117.1
April 12	119.6	110.2	100.1	117.4
April 19	116.1	106.7	95.8	113.8
April 26	116.3	111.0	95.1	114.5
May 3	115.8	117.1	94.8	115.0
May 10	114.2	121.5	95.4	114.6
May 17	116.7	129.0	94.9	117.6
May 24	117.6	143.5	95.9	120.7
May 31	114.3	153.5	94.8	119.7
June 7	112.4	176.3	93.2	121.8
June 14	116.2	194.8	91.5	127.6
June 21	113.1	204.5	89.4	126.7
June 28	110.6	215.1	86.5	126.3
July 5	108.8	270.3	85.3	133.7
July 12	108.5	295.4	85.9	137.6
July 19	101.1	288.6	86.0	130.8
July 26	96.4	309.6	83.9	130.4
Aug. 2	93.7	301.2	82.7	126.8
Aug. 9	91.0	296.0	78.3	123.6

MALROBIC SHAFT SINKING REVEALS GOOD GOLD VALUE

Down 50 Feet and Will Carry to 250 With Level at 125

By Staff Editor

AMOS.—Malrobic Mines has its shaft down to a depth of 55 feet and is reported to be obtaining free gold in the shaft, and good values over a 5 foot width. The mineralization consists of heavy iron sulphides which carry the values.

Splendid progress has been made by Malrobic, from the outset of operations. The construction of camps and the taking of plant and equipment into the property was only completed toward the end of June, but since that time development work has been pushed along steadily under the direction of W. B. Airth, E.M., who has a crew of 55 men working, and is sinking the shaft at the rate of five feet a day.

The plant consists of a 310 cu. ft. gas-driven compressor, the drilling being done by air. The hoist and pump are steam driven, power being supplied by a 25 h.p. boiler.

The shaft is being sunk on the principal showing, the vein occurring in a well defined shearing 12 feet in width that has been traced for a distance of 1,500 feet. The shearing occurs in greenstones, the main intrusive being a porphyry dyke some 200 feet north of the main shearing. The vein system itself is centrally located and well protected in every direction.

The present plan is to sink the shaft to a depth of 125 feet, cut a station, and drive a cross-cut to the north to cut two additional showings, and a porphyry dyke 175 feet north of the main shearing. Sinking will then be resumed and the shaft carried down to 250 feet at which point considerable lateral work will be carried on.

The Malrobic property, better known as the Robb-Deane group, was one of the first discoveries made in the Malartic district. It comprises 500 acres between lots 11 and 17 in range 5 Malartic Township. It was controlled for three years by the Robb-Dean interests who did considerable surface work, spending over $15,000 in development work. The present company was organized and acquired control of the ground in May, and immediately proceeded with camp construction and development work.

The Malrobic is readily accessible from the town of Amos, on the Canadian National Railways, being reached by an all-water route of 42 miles.

Malrobic is capitalized at 3,000,000 shares of $1 par value. 1,500,000 shares were issued as vendor stock, and 500,000 shares of treasury stock issued. The company is free from debt. Its officers are: president, Leo Erenhous; vice-president, E. W. Bickle; secretary treasurer, W. B. McPherson; directors, David Colville and Melvin Robb.

Smelters Now Operating Atlin Silver-Lead Group

Atlin Silver Lead property in Atlin district, British Columbia, is now in the hands of Consolidated Smelters. A year or so ago an effort was made to finance this operation in the East. Offerings of the shares were made simultaneously at New York and Montreal at $1 per share.

The property, consisting of 1,000 acres, has been operated by J. M. Ruffner as trustee. Considerable work has been done on the various showings and some good results obtained.

Canada Alone on Continent Gains in Output of Gold

The last ten years have brought a radical shift in the sources of North American gold output.

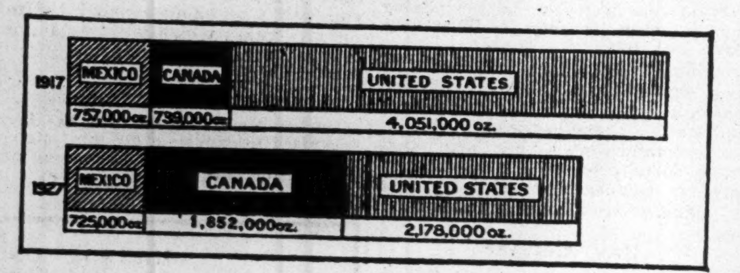
Ten years ago the United States accounted for nearly three-quarters of the continent's total gold production. But since 1917 the gold output of the States has been almost cut in two, falling from over 4,000,000 ounces to little more than 2,000,000 ounces. The output for 1927 touched the lowest level in more than thirty years.

Mexican production during this decade has remained fairly constant, the figures for 1927 being slightly less than those for 1917.

With United States production declining, and that of Mexico virtually stationary, Canada has rapidly assumed a position of much greater relative importance. Compared with the figures for 1917 Canada's gold production last year showed an increase of nearly 150 per cent. The Dominion has outdistanced Mexico as a gold producing country and has been steadily closing in upon the United States. Amounting to less than one-fifth of the United States production in 1917, Canada's output last year fell only 15 per cent. short of that of the States.

During this ten-year period the gold production of North America, as a whole, shows a substantial decline. Were it not for the manner in which the Canadian output has leaped forward, North America's relative importance among the gold producing continents would have been severely reduced.

NORTH AMERICAN GOLD PRODUCTION 1917 AND 1927



DECLINE IN PRICE OF PEND OREILLE EQUAL TO HOLLY'S

Shares Have Fallen from Above $20 to Below $10 per Share

Pend Oreille shares broke back to below $10 during the past week. There has been a steady accumulation of this issue going on and as the amount of stock in the hands of the public is small, the conclusion is that the break was due to short selling. The shorts met with little resistance owing to the absence of any news from the property while those in the market for the shares are content to let the shorts knock the price down for them.

While there are some who profess to see but little merit in the Pend Oreille section, the fact that so much activity is going on in the area; that many operations are meeting with good results and that so much new ground is being taken up, would seem to indicate that there is much merit and a good future to this part of B.C. and the State of Washington. Reports from Nelson are to the effect that there has been a heavy run of claim recording in the Salmon and Pend Oreille Rivers district of the southern interior, in the general vicinity of the Reeve-MacDonald property which is reported to be showing up so favorably in development.

The area is also brought to public attention by the fact that it lies immediately north of the ground held by the Pend Oreille Lead & Zinc Mining Co.

Of 319 mineral claims recorded at the government office here since the beginning of the year, fully 90 per cent. were located from Cottonwood Lake south in the Salmon and Pend Oreille Valleys, and on tributary creeks.

SAYS HYLAND BASIN WILL BE SENSATION

Alexandria Gold Mines Head Acquired Additional Holdings for His Company

Grant Mahood, Alexandria Gold Mines, who is in British Columbia, inspecting the company's holdings, says the newly acquired Hyland Basin property in Babine Range has some of the most remarkable surface showings of high grade silver lead gold ore ever seen. Values are sensational. Engineers and a crew are on the property surveying, preparatory to laying out a development program. He expresses the belief that the property will prove the sensation of Northern British Columbia under development.

Mr. Mahood says he visited the Velvet property in Hazelton District, at the urgent request of Thos. Davey, M.E., who is so favorably impressed with the showings on the property that he advised the acquisition of the adjoining claims. After an inspection Mr. Mahood acquired for Alexandria gold mines the twelve adjoining claims, approximately six hundred acres, which gives Alexandria a large holding in this area. Development to date on Velvet has disclosed a series of large veins from six to ten feet wide, well mineralized, carrying commercial values silver and lead. Consolidated Smelters has been negotiating for a property adjoining the Velvet and have taken up two groups in the area.

PORC.-GRANDE CUTS VEIN

Porcupine-Grande is reported to have cut a 10 foot vein on the 200 foot level. E. H. Orser, M.E., is in charge of operations.

Maritime Link Now Completed

From Our Own Correspondent

HALIFAX. — Bringing to this city the first exclusive mining board facilities in the Maritime Provinces, the Willis Securities Company opened its doors this week. The new offices are fitted up in the most up-to-date and complete manner and will afford every opportunity for trading in listed and unlisted mining securities. The Willis Securities Company is the Maritime correspondent of Solloway, Mills & Company, thus completing the Canadian-wide organization of the latter company.

GOOD ORE SHOOT ON KOOTENAY-F. IN BRANCH VEIN

Drifting on Showing Cut by Long Tunnel Gives Good Values

From Our Own Correspondent

NELSON, B.C.—Another round of shots in development of the strike made Tuesday of this week in Kootenay Florence Mine at Ainsworth, shows the ore, which where first cut was five feet in width and of milling grade, to be increasing in width and volume.

The discovery was made in a drift on the small vein which was crosscut seven or eight weeks ago by the Great Lake level main tunnel. Development of this vein to the left or south showed mineralization petering out but on the right or north the ore was encountered in the first few yards. It is suspected that this may be a branch from the main ore body, the downward continuation of which, at a depth of 550 feet below No. 5 tunnel, is the objective of the 3,400-ft. lake level bore. Since this branch vein, if such it is, was first crossed the big tunnel has gone some hundreds of feet past it and drifts are being made in the formation at promising points.

The city of Nelson transmission line and the company's substation are completed and the city has been advised to turn on the power, which it is obligated to supply up to 600 horsepower.

Kootenay Florence shares have been firm around 25 and 26 cents par value 20 cents.

SEVERAL MANITOBA GOLD OPERATIONS LOOK INTERESTING

(Continued from page 17)

No. 1 discovery vein. The drill was in ore from footage 16 to 56, at which depth the footwall was encountered. The second drill hole was located 42 feet southeast of hole No. 1 on the foot wall of No. 1 vein and was directed westerly under the lake at an angle of 66 degrees. It had been anticipated this hole would strike No. 1 vein about 70 feet below the surface and going through it, on a long slant, would give some idea of the ore at depth. Instead of this, however, the drill penetrated a new ore body at 37 feet and stayed therein to a depth of 71 feet. The third and fourth holes confirmed this ore body to be a new vein and it is now known as the No. 5 vein.

The particular importance of the finding of the new vein is that it correlates the other veins on the property. The discovery vein, by its appearance was always believed to be an offshoot of some main vein outcropping under the lake, and the finding of the new vein is believed to corroborate this view.

Crooked Promoters Can't Get Away With Murder as Easily Here as in U.S.A.

An article on Canada's growing interest in mines and mine share speculation, appeared in a recent issue of Wall St. Journal. It was written from Toronto but evidently by a U.S. citizen as the comparisons, etc., are mostly all presented from a U. S. viewpoint. Particularly is this so in discussing the steps taken by authorities to weed out high pressure salesmen and crooked promoters. The writer thinks Canada is far ahead of the U. S. in this regard. He says:

The Canadian authorities are doing much better work in protecting the gullible from being preyed on by the mining crooks than are the United States authorities. About three years ago, when some of our world-famous grafters had accumulated sufficient funds so as to make it profitable for attorneys and others to see them threatened with prison bars, and which so seldom they get behind, there was quite an exodus of the professional, high-pressure, telephone type of mining swindler from New York, Newark, Boston and other American cities.

But the Canadian authorities and mining men were not long in realizing this, so these crooks rather quickly found it healthier to get back across the American boundary. A lot of worthless mining stocks are being sold; but such promoters are gradually being rooted out, for you cannot get away with murder in Canada as easily as you can in the United States.

New Sudbury Company Holds Huge Acreage

Sudbury Rand Mines, Limited, controls very extensive acreage in three of the best mining fields in Ontario. No properties are held under option, the company owning outright or having an interest in about 20,560 acres in Sudbury Basin, Serpent River Basin and Geneva Lake District.

The properties are divided into sixteen groups, six of which are in the Sudbury Basin District, well located and in close proximity to the properties of the International, Mond Nickel and other active companies, comprising in all over 7,000 acres; five groups in the Serpent River Basin, comprising 4,960 acres; and five groups in the Geneva Lake District comprising 5,960 acres. Several additional groups of claims will be acquired by the company when titles are perfected.

All of the groups are located in the vicinity of other properties, development work on which has indicated sound promise of substantial mineralization. Inspection of the various claims has produced surface indications of gold, silver, copper, nickel, lead, zinc, platinum, and other valuable metals.

On several of the properties considerable work has already been done by former owners in the shape of camp buildings, shaft sinking, and in practically every case transportation facilities are good. No cash was paid for any of the properties, stock of the company having been given as consideration.

MINING STOCK QUOTATIONS

Week Ending Aug. 14

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close Aug. 14	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Abana	1			3.30	3.10	3.10	53530	4.90	.20	3.95	1.75
Aconda	1			.19	.16	.18	76000	.45	.14½	.47	.15
Afton	1			2.00	1.75	1.75	200	1.36	1.00	2.12½	1.25
Albain M.	1			.80	.80	.80	700			.95	.20
Algonquin	1			.02	.01¼	.02	15000	.05¼	.02	.03	.01
Amity C.	1			.49½	.40	.41	32050	.50	.24½	.55½	.24
Amulet	1			4.10	3.61	3.70	139481	7.10	.85	5.45	3.00
Apex	1			.04¼	.04	.04½	6500	.10	.01	.09	.03
Area	1			.30½	.21	.21	62750	1.98	.23	.48	.14
Argo. Con.	1			.05½	.03	.05	61123	.59	.25	.34	.03
Arno	1			.25	.17	.20	40100			.39½	.15
Atlas	1			.03	.02	.02	13500	.07	.02	.04¼	.01½
Ankerite	1			.25	.25	.25	1000	1.25	1.15	1.23	.25
Bayview	25c.			.08	.07	.07½	22100			.09¼	.06¼
Bagamac	1			.10	.10	.10	2700	.19	.06	.17	.05
Baldwin	1			.02	.01½	.02	4150	.05½	.01	.03½	.01½
Barry Holl.	1			.38½	.35½	.36¼	104845	1.50	.25	1.50	.34
Bathurst	None			.25	.18	.24	47500			.35	.18
Beaver	1			.95	.86	.86	9700	2.75	.59½	2.25	.86
Bedford	1			.40½	.36	.40	33000	.53	.19	.54	.32
Bellellen L.	1							.23½	.03	.03½	.02
Bidgood	1			.58	.51	.52	109300	1.83	.05	1.60	.51
Big Horn				.27	.27	.27	100			.44	.25
Big Missouri	1			.55	.40	.46	115850			.90	.40
Boischatel	None			.02½	.02	.02¼	4600	.27	.03	.05	.01¼
B.C. Devel.										2.00	1.32
Bower M.	1									1.25	.75
Buckingham	1			.07¼	.07	.07¼	51850	.09½	.03	.08½	.04½
Bunker Hill	None			.15	.13	.14	6475			.35	.15
B. C. Silver				1.55	1.55	1.55	100			1.55	1.55
Cambro	1			.35	.35	.35	200	.58	.55	.55	.29
Can. Lorraine	1			.10½	.10½	.10½	500	.12	.10	.21	.08½
Capitol S.	1			.10	.09½	.09½	2700	.34	.14	.18½	.09
Capitol R.	1			.12¾	.11	.11	60200	.54½	.10	.18	.11
Cartier Mal.	1										
Castle Tre.	1			.47	.41	.47	21850	1.27	.61	.81½	.46
Cen. Man.	1			.95	.82	.95	51520	2.30	1.70	1.95	.82
Chaput H.	1			.14	.12½	.13¼	20900	.20	.04½	.18	.08½
Clericy	None			.12	.07	.10	48400	.31½	.31	.36	.07
Clifton	1							.03½	.00½	.02	.00½
Coast Copper	5			.39	.34	.34	1440	43.25	9.75	60.00	28.00
Col. Kirk	1			.03	.02½	.02¼	14900	.16	.01½	.09½	.02
Cons. Copper										.14½	.10
Coniagas	5			4.35	4.10	4.10	300	5.05	3.20	5.50	4.10
Coniaurum	5			3.15	3.07	3.07	738	5.78	2.80	5.50	3.00
Cons. Smelter	25	10+40	5.20	244	240	241½	772	274½	215	289½	239½
Copper Hill	1										
Cork Prov.	25c.			.31½	.29½	.29½	20800			.47	.25
Corona	1			.04½	.03¾	.03½	37600	.37	.10	.16	.03
Crown Res.	1			.44	.34	.44	63347	.80	.39	.70	.34
Davidson	1							.08	.01	.03	.03
Dunkin	1			.35	.30	.32	10400			.55	.30
Destor	1							.43	.20	.28	.20
Dome Mines	None	$1	12.90	8.00	7.70	7.75	2030	14.60	6.85	13.35	7.70
Dom. Kirk.	1			.01½	.01¼	.01½	10800	.12½	.01½	.06½	.01
Don. Rouyn	1			.24	.20	.21	20900	.56½	.17½	.30	.10
Dubec	1							1.48	.35	.72	.40
Duprat	1			.03¼	.03	.03¼	33800	.21	.19¼	.12½	.03
Dupuy	1							.79½	.09	.10½	.10
Dunwell	1									.35	.20
Duthie	1									1.40	1.00
Everett	1			.01	.01	.01	1000	.05½	.01¾	.03	.01
Federal Kirk	1			.40½	.36	.40	9000	.78	.40	.77	.35
Fiske	1									.10	.03
George Cop.	1			6.30	5.10	6.30	4040			6.30	2.50
Golconda	1			1.13	1.08	1.11	25550			1.13	.69
Goldale	1			.26	.20	.26	30900	.57½	.20	.44	.22¾
Gold Hill	1			.09½	.07¼	.08¼	87761	.54	.22	.38½	.07
Gold Reef	1			.02	.02	.02	2000	.02½	.01½	.03	.01
Goodfish	1			.47	.42	.46	66225			.78	.41½
Graham	1			.25	.18	.23	31000			.40	.18
Grandview	50c.			.39½	.35	.38½	49450			.87	.30
Granada	1			.21	.17	.19½	126,450	.41	.14½	.35½	.17
Gr. Daley	1			.09¼	.08	.08¼	24700	.37	.08	.15	.07
Harker	1									.43	.41
Harv. Exp.	None							2.40	.50	.85	.01¼
Hecla	1									1.30	.95
Hiller., c.	100	6.00	9.23					65.00	50.00	68.00	65.00
Hiller., pr.	100	7.00	7.00					90.00	81.50	90.00	85.00
Hilltop	1			.10	.07	.10	26000	.25	.06½	.23½	.07
Hollinger	5	26.00	14.05	10.25	8.75	10.25	32450	22.65	16.40	18.10	8.50
Howey Gold	1			1.25	.94	.98	201450	1.78	.42	1.01	.61
Hudson	None			18.10	17.50	17.75	20890			23.25	16.40
Indian	1							.12	.04	.15	.04½
Int. Nickel	25	$2	5.18	99	95½	97¼	50940	90.25	38.00	103.75	73.75
Jackson M.	1			1.00	.93	1.00	168660	.86	.36	1.02	.65
Keeley	1	8	16.16	.50½	.44	.44	7800	1.66	.69	.85	.44
Keora M.	1							.13½	.02	.05	.01
Kirk. Hunt.	1			.09½	.07	.08½	54000	.35½	.10	.26	.07
Kirk. Lake	1			1.57	1.45	1.47	34650	3.06	.82	2.75	1.20
Kirk. Prem.	1									.40	.10
Koot. Flor.	20c.			.24	.16	.21½	168800	.31	.21	.47	.16
L. Kamiskotia										1.10	1.05
La Rose	1			.05	.05	.05	100	.12	.03	.08½	.03
Lake Shore	1	80c.	3.92	21.50	20.25	20.25	6175	28.20	15.40	27.70	20.25
Lebel Oro.	1			.24½	.20	.20	13000	.66	.30	.59	.16½
Laval	1			.17	.13	.17	152900	.59	.19½	.38	.12½
Lorrain C.	1							.03½	.01	.03	.00½
Lorrain T.L.	1							.86	.52	.70	.30
Lucky Jim	10c.			.31	.29	.29	18400			.44	.26
McLeod R.	1									.35½	.34½
Mandy	1			3.40	2.95	2.98	63532			3.50	2.60
Macassa	1			.23	.21½	.22	24750	.65	.18	.55½	.21½
Malartic	1			1.35	1.20	1.32	156525	.78	.23	1.80	.70
Marriott	1			.09	.05	.09	2000	.45	.35	.46	.05
McDougall	1			.40½	.36½	.39½	39750	.90	.24	.74½	.34
McKinley	1							.25½	.11	.21	.16
McIntyre	5	.20	4.65	22.01	20.50	21.00	5925	29.00	24.00	29.00	20.50
Mentor	10							14.00	12.00	13.00	12.50
Millcrest	1			.03½	.03	.03	8000	.15	.02	.12	.03
Mining Corp.	5	.08		3.25	3.00	3.05	11550	5.02	2.90	5.50	3.10
Moneta	1							.15½	.06½	.12	.07
Montreal R.	1			.08	.07½	.08	5000	.35	.10	.16	.04½
Mint Ore	1			.35	.33	.33	5700			.44	.25
Mond Nickle	£1			20.00	20.00	20.00	120			46.50	20.00
Moss	1									.70	.25
Murphy	1			.36	.30	.35	7300			.49½	.28
Moffat Hall	1			.18	.16	.17	62000			.35½	.15
Monelk											
Nat. P.& D.											
Nat. Silver	50c									15.75	1.00
										.20½	.17½
Newbec	1			.31	.26½	.28	101300	1.20	.62½	.66	.23
Night Hawk	1			.06½	.06	.06¼	3500	.10½	.04½	.10	.05½
Nipissing	5	6	10.00	3.30	3.00	3.22	4855	10.30	5.25	6.00	3.25
Noranda	None			55.10	47.90	48.70	152647	25.80	19.95	64.50	17.00
Notre Dame	1									.67½	.50
Ophir	1							.04½	.00¼	.02	.01
Osisko				.60	.57	.59	29050			.75	.35
Picard	1			.10½	.10	.10	15000			.77	.04¼
Pawnee Kirk	1			.22	.19¼	.21	40700	.78	.64	.80	.19¼
Pend Ore	1			13.10	9.75	11.25	35460			25.50	8.00
Pend pref.										1.40	.95
P.L. Cobalt	1			.26¼	.23½	.24	16900	18.00	.02	.30	.06
Porc. Crown	1			.03½	.03¼	.03½	3000	.11	.03	.08	.03
Pioneer	1			.53	.43	.46	35800	1.18	.45	.68	.43
Potter Doal.	None			.08	.06¼	.08	122850	.65	.10½	.22	.06¼
Premier Gold	1	24c.	9.79	2.55	2.35	2.35	9850	2.50	1.83	3.50	2.15
Preston	1							.07	.03	.05	.02
Porter Idaho	50c			.83	.71	.72	8950			.88	.48
Ridgedome	1									1.25	1.03
Ribago	1			.08½	.07	.07	35350	.87	.13	.25	.06¼
Rouyn G.	1							.04½	.02½	.03½	.01½
Rouyn, Que.	1							.04	.01½	.02	.01½
Rubec	1							3.65	.80	.80	.07
Realty & M	None			.11½	.08¼	.08¼	25000	.38	.15	.54½	.08
R. Montbray				.15	.13	.15	7100			.32	.13
Ruth Hope	1			.62	.59½	.62	20100			.63	.44
Rouyn Kenn	1									1.10	1.10
Rufus Argenta				.26¼	.22	.26¼	24900			.37	.14
Simard										11.50	8.00
Silversmith	20c									.23	.12
Slocan King	20c									.11	.08
Selkirk										.03	.02¾
San Antonio	None			.44	.39	.40¼	99773	.57	.30	.57½	.33
Siscoe	1			.55	.53	.53	6900	.60	.12	.60	.15
South Keora	1							.64½	.04½	.17¼	.03½
Stadacona	None			.13½	.11½	.12	55550	.55	.15	.21½	.09
St. Anthony	1			.33	.32	.32	4500	.50	.16	.52	.32
Sudbury M.	1			.06	.04	.04	6800			.33½	.03¼
Sylvanite	1			2.41	2.25	2.41	4125	4.80	2.60	3.90	2.00
Sherritt G.	1			6.60	6.00	6.15	68232			8.40	5.60
Sud. Basin	None			7.65	6.20	7.00	94817			12.00	6.20
Sud. Contact	1			.19	.17	.17	33900			.50	.17
Sunloch	1			2.25	2.00	2.00	850			6.50	2.00
Thom. Cad'c	1			.60	.50	.60	27600			1.06	.45
Topley				.62	.60	.60	27950			.65	.50
Teck Hughes	1	.60	6.74	9.50	8.80	9.00	53730	12.00	5.37	11.60	7.85
Telluride	1							.38	.35	.58	.37½
T. Oakes	1			.28	.19½	.25¼	202650	.82	.25	.79	.16
Towagmac	1			4.00	3.60	3.60	20895	5.75	2.85	4.25	2.25
Timisk.	1							.12	.04	.10¼	.05
Treadwell Y.	1			17.00	16.00	16.00	585	26.75	18.50	32.00	16.00
Thom. Krist	1							.02	.00½	.01½	01
United Kirk.	1									.20	.10
Vaughan	1									1.70	1.15
Vickers	1							1.52	.25	1.25	.60
Vipond	1			.45½	.39	.44½	62668	1.74	.47	.99	.43
Wakenda	1							.16	.01	.15½	.06
W. D. Lake	1			.09½	.08⅜	.09	26333	.20	.08	.17½	.08
Wiltsey C.	1							.74	.50	.56	.38
Wr. Har.	None	.10	3.08	3.50	3.18	3.48	49815	8.45	5.50	6.80	3.00
Windfall R.	None			.09½	.07½	.08	55075	.31	.19¾	.25	.07
Whitewater	1			2.31	2.20	2.20	820			2.85	2.20
Woodbine	None			.28	.22½	.25	65400			.46	.22½

CALGARY OIL STOCK

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close Aug. 14	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Acme	.									.30	.17
Advance	1			.50	.50	.50	3814			.95	.25
Alta. Pac.	1			.48	.40	.40	1730			.81	.30
Black Dia.	.									.35	.26
Brit. Dom.	1			.45	.43	.43	460			.75	.25
Calmont Es.	.									1.00	.72½
Calmont	1									2.10	.77½
Cal. Pet. P.	.									5.50	4.25
Cherokee	.									.07	.06
Dalhousie	None			2.40	2.20	2.30	3775			4.25	2.20
Devenish	None			.56	.55	.55	1367			.75	27
Great West	1			.10	.10	.10	200			.34	.10
Ill. Alta.	1			.50	.46	.46	2440			.77½	.45
Madison	.			.10	.10	.10	500			.20	.11½
Mayland	.			1.40	1.30	1.30	3100			1.47½	1.06
McD. S. Ex.	1			2.20	2.20	2.20	150			3.00	1.40
McD. S. (new)	1			1.20	1.15	1.15	345			1.80	1.00
McLeod	1			4.55	4.05	4.05	4209			7.10	2.97
Mid West	1									.60	.26
Mill City	1			.40	.40	.40	1881			.55	.27
Moose M'tn	1									.30	.25
N. W. Pac.	.									.09	.09
Okalta, c.	None									47.00	20.00
Okalta, p.	100			75.00	75.00	75.00	20			100.00	70.00
Ranchmen's	1			.55	.55	.55	300			.80	.55
Regent	.									.25	.20
Royalite	None			64.00	60.50	61.00	140			84.00	45.00
Signal Hill	1			.13	.12	.13	1300			.30	.12
Spooner	1			1.55	1.50	1.50	728			3.10	1.10
Stockmen	1									.60	.32
Turner Val.	1			.40	.40	.40	65			.70	.30
United	1			1.67½	1.50	1.50	765			2.65	1.10
Vulcan	1			1.95	1.90	1.90	232			3.00	1.90
Dallas	.									.30	.30

HOLDING SHARES IN SUBSIDIARIES IS QUESTIONED

(Continued from page 17)

velopments going on and that the insiders were making huge profits and they were being left out in the cold. The fact of the matter is that it was the market position and not the mining position that made the wild fluctuations in these shares possible. Smelters officials had no more to do with the market than the minority shareholders.

The suggesion for the present article came from a couple of letters that have reached The Financial Post recently in regard Waite-Montgomery. This operation started as a syndicate with N. A. Timmins Inc. holding 80 per cent. of the syndicate shares. Mr. Timmins sold his interest in this enterprise as well as in the Alderson Mine of Towagmac to Noranda and the Waite-Ackerman-Montgomery Co. was organized by Noranda for the purpose of distributing the interest in Waite-Montgomery. This placed 20 per cent. of the Waite-Ackerman-Montgomery stock in the hands of the public and the balance in Noranda's treasury. The company is capitalized at 2,000,000 no par shares and the directors are J. Y. Murdock, pres.; S. C. Thompson, v.p., N. A. Timmins, J. H. C. Waite and F. M. Connell.

No Voice on Board

Minority shareholders contend that they have no representation on this board. Only one statement has been issued by the company and that was in regard to the ore in sight.

Seemingly the fears of the Waite-Ackerman-Montgomery minority shareholders are those that are inherent to shareholders who find themselves holding shares in an operation controlled by a large operation. They see clearly that they are at the mercy of the large operator.

This brings out the second weakness in such a position and it involves the matter of confidence in the integrity of those in control. If the minority shareholders are not sold on honesty and straightforwardness of the operators, there is bound to creep in the question of whether or not the minority—to use the language of the street—are being gypped.

Control is Complete

The operators in control, like "Smelters" or Noranda, have the complete handling of the output. They have two ways of taking their profits. They can take them in profits from the subsidiary or they can take them in profits from the parent or controlling operation. For instance they can load all the costs possible on the subsidiary operation and this will make the profits larger for the parent company or vice versa.

Question of Confidence

The question of costs is the confidence maker or breaker. For instance, two letters received by The Financial Post, in making the point that Noranda has not taken the minority into its confidence at all, make the point that they have not the slightest idea of what Noranda will charge their company for treating the ore. They admit that undoubtedly Noranda will have a regular tariff for custom ores, but these charges are always elastic and are regulated by the complexity of the ore. They make the point that without the slightest voice in the affairs of their operation, they are not in a position to know whether there is a fair valuation placed on their ore or not and this they point out is of vital importance to them, though of little importance to Noranda for where it loses in one place it gets them back in another. One shareholder states that there is a feeling that Noranda will regulate the ore valuation in its own interests and in a way that the largest portion of the profits possible will accrue to Noranda.

The interesting feature about these letters is that they say that they have no representation on the board. Yet J. H. C. Waite and F. M. Connell were property vendors, having sold to Mr. Timmins and seemingly would be in the same position as the minority shareholders, i.e., original shareholders, Noranda coming later.

The same arguments that are being advanced in regard the Waite operation might just as well be advanced by Aldermac shareholders whose position on the surface might appear to be the same. However, there is a considerable difference in the position of the two groups of minority shareholders. Towagmac is one of the minority shareholders and Towagmac shareholders make up the balance. Their total interest is 35 per cent. Whether or not it is because of this 15 per cent. interest, over that of the minority shareholders of Waite, or that Towagmac people had a better understanding with Mr. Timmins and were able to protect themselves when Mr. Timmins sold to Noranda, is not known but Towagmac has two directors out of the four on the Aldermac Board with secretary-treasurer G. M. Hay, who acts in the same capacity on Waite, making up the fifth. The Aldermac directors are J. Y. Murdock, pres.; S. C. Thompson. representing Noranda, and A. A. Mackay and W. P. Alderson representing Towagmac.

GOLD HILL SINKING

Gold Hill shaft is being dropped to 1,000 feet, at which horizon it is proposed to drive to the ore before continuing to 1,200 feet, the horizon at which it is proposed to undertake extensive lateral work.

Astoria Rouyn Mines Limited
DIRECTORS' REPORT
Shareholders and others who may be interested in the Northern Quebec Mining Field will be interested in the report of three of the Astoria Directors, Mr. Tanguay, Mr. Parent and Mr. Price, who recently made a visit of inspection to the property.
The report is going out this week to all the Astoria shareholders, and any one not a shareholder may obtain a copy by writing to the Ontario office of the Company.
ASTORIA ROUYN MINES LIMITED,
74 Sparks Street, Ottawa, Ont.

Parker Island may be your Treasure Island
Trench assays from $13.80 to $60.40 per ton. Diamond drill assays up to $281.80 per ton.
For particulars of this approved mining speculation write
WALTON & CO. Limited
Specialists in Mining Securities
Members Montreal Mining Exchange
Insurance Exchange Building
MONTREAL

Free Manual
Covers over 1,000 listed New York Stocks, giving high and low prices from 1906 to date, dividends, etc. Also gives high and low prices New York Cotton, Chicago Grain. Send for your FREE copy to-day. Dept. A-24.
H. C. SCHAUBLE & CO.
79 Wall Street, New York

WILLIS SECURITIES COMPANY LIMITED
MINING SECURITIES
First Exclusive Mining Board Room Facilities in the Maritimes
Maritime Correspondent Solloway Mills & Company
153-155 HOLLIS STREET, HALIFAX, N.S.

To Whom It May Concern
If you are looking for partly developed mining properties or mining prospects in either precious or base metals, in any of the active fields of BRITISH COLUMBIA, MANITOBA, ONTARIO, QUEBEC, NOVA SCOTIA, or NEWFOUNDLAND
We Solicit Your Enquiries
We have under option a number of very promising properties, including some 10,000 ACRES in the now famous SUDBURY BASIN, and through our connection we are in a position to offer a wide range of selection.
J. Henderson Company Limited
308 Bank of Toronto Bldg.
MONTREAL
Specialists in Mining Properties

We Invite You to Visit Our Board Room
In addition to recording the quotations and sales of the Standard Stock and Mining Exchange, we constantly maintain a very helpful Bulletin Service pertaining to day-to-day developments at the various operating mining companies in Northern Ontario and Quebec.
This Service—exclusive to our Board Room—is supplied by our own men on the ground, over our own private wire systems.
ARTHUR E. MOYSEY & CO. LIMITED
FOUNDED 1904
Phone ELgin 5171
242 Bay St., Toronto

SUDBURY RAND MINES Limited
A Holding Company
Board of Directors:
G. S. WESTGATE.....Montreal
Pres., Trans-Canada Insurance Co.
Pres., Empire Trust Co.
C. B. GRIER..........Montreal
Investment Banker
Vice-Pres., Trans-Canada Ins. Co.
Director, Dominion Trap Rock Co., Limited
W. G. R. HOLT.......Montreal
Investment Banker
P. W. McLAGAN.......Montreal
Ex-Mayor of Westmount
M. K. PIKE.............Montreal
Vice-Pres., Northern Electric Co., Limited
J. W. C. TAYLOR.......Montreal
Pres., Montreal Lithographing Co., Limited
JAS. A. YATES.........Montreal
General Treasurer, Canadian National Railways
Vice-Pres., Second Diversified Standard Securities, Limited
E. L. MURPHY..........Chicago
Pres., Murphy & Company, Purchasing and Selling Agents for "Base Metals"
Capitalization
5,000,000 shares of no par value
Owning and having an interest in sixteen groups of properties comprising some 20,000 acres
in
SUDBURY BASIN
SERPENT RIVER BASIN
GENEVA LAKE DISTRICT
on which over $250,000 development work has been done.
Map showing location of company's properties on request.
412-13 CAN. PAC. EXPRESS BLDG, MONTREAL
504-05 CAN. PAC. EXPRESS BLDG. TORONTO

FALK HERRINGBONE GEARS
For every purpose—deliver power smoothly, silently, without vibration—cut power losses to absolute minimum.
Long Life
THE WM. KENNEDY & SONS LIMITED
OWEN SOUND - ONT.
Toronto: 105 Bond St. Elg. 9656

J. E. VALLEE & CO.
Mining Specialists
111 Mountain Hill, Quebec

HOLLINGER
Write us for our report on this issue.
KIELEY & SMITH
Members Standard Stock and Mining Exchange,
C.P.R. Bldg., Toronto 2

Do You Know That—

D S PATERSON & CO LIMITED
21 RICHMOND ST W. TORONTO

To Keep You Posted—
The experience of many years' close contact with mines and markets supplemented by our facilities for securing authentic information is crystallized for our clients in Gibson's Fortnightly Mining Review.
This publication should prove invaluable to the mining investor as a medium for keeping posted on his present holdings and a help in choosing future commitments.
Write to-day for a copy of the interesting current issue.
BRANCHES:
TIMMINS BELLEVILLE COBALT
KIRKLAND LAKE NORTH BAY ROUYN
TORONTO UPTOWN
Private Wires to All Offices
Homer L. Gibson & Company Limited
Bank of Hamilton Bldg.

WRIGHT & BOYDELL
Consulting Mining Engineers and Geologists; Examinations, Reports Explorations and Development Programme.
310-11 McKinnon Building Toronto
Phone: ELgin 8929
Cable Address: "Husky"

B. C. MINES
"IRWIN INFORMATION" issued semi-monthly.
Mailed upon request.
W. F. IRWIN CO. LIMITED
Members Vancouver Stock Exchange
425 Howe St., Vancouver, B.C.

For practical assistance to the manufacturer, and business man in the testing, inspection and use of all materials.
Milton Hersey Company
Limited
Industrial Chemists and Engineers
Montreal Winnipeg

Mid-Continent Bond Corporation
Royalty Investments
331 Bay Street
Ad. 8153-57
Toronto - Ontario

SCHLUMBERGER
ELECTRICAL PROSPECTING
METHODS
62 Front St. W. Toronto 2, Ont. Adelaide 9730
25 Broadway New York City

Henry J. Stewart
Mining Engineer
Exploration and Mining Programs
523 Insurance Exchange Bldg.
MONTREAL

C. E. WELLER & CO.
STOCK BROKERS
47 James Street South
HAMILTON, ONT.
Orders executed by private wire through Members Standard Stock and Mining Exchange.

Belting for Every Need
Pulleys, Saws, Mill Supplies
N. SMITH BELTING WORKS
138-140-142 York St., Toronto, Can.

G. A. BAGSHAW & CO.
LIMITED
STOCKS and BONDS
HAILEYBURY - ONT.

C. M. Oliver & Co. Limited
840 Hastings St. W.
Vancouver, B.C.
The oldest established mining brokerage house in Vancouver
Specialises in British Columbia Mining Stocks
Also executes orders in all other stocks and bonds.

Examinations, Reports. Claims staked in any district of Quebec or Ontario. Contractors of assessment and development work.
BOYLEN BROS, CONTRACTING & EXPLORATION CO., LIMITED.
Head Office: Kirkland Lake, Ontario

British Columbia Mines
Past 2½ years mineral production equals entire half century ending 1901.
Dividends now approximate $10,000,000 per annum.
This development is accurately reflected in Stock Market and in our free market letters.
Keep abreast with the times—It pays to have your name on our mailing list.
WOLVERTON & CO. LIMITED
Suite 704, Dominion Bank Bldg.
Vancouver, B.C.
Members Vancouver Stock Exchange

CHAS. SPEARMAN, B.Sc., M.A.
CONSULTING MINING GEOLOGIST AND ENGINEER
Examinations, Reports, etc.
Preliminary Explorations and Mining Programs
Suite 1811-12 The Royal Bank Bldg.,
MONTREAL, QUEBEC
Cable Address: "Anticline"

Unclimbable Chain Link Fence
For Mines, Industrial and Public Property, Institutions, Golf Clubs, Cemeteries, Estates, Amusement Parks, etc.
Write for Quotations and Particulars
LUNDY FENCE
COMPANY, LIMITED
257 King St. W., Toronto
Telephone ADelaide 3106

Central Manitoba Mine Experiences Are Same as Those of N. Ontario

Ups and Downs Are Many During Mine-making Period

Central Manitoba shares are now selling around the eighty mark. This provides an opportunity for many who bemoaned the fact that they did not get in on the ground floor when the stock was first issued. Around 80 cents was about the best price any of the insiders' friends got in at and the stock later sold well above the $2 mark.

A pool operation in Boston is credited with having put the shares up. Whether that is true or not the shares are worth infinitely more today than they were at the time the stock sold above $2. A great deal more is known about the mine, there are two additional development operations, the Rogers and Tene Six and last but not least the mine is producing.

Same as Others

Many seem to have lost heart because the price of the shares has broken so low. Studying the history of practically every gold operation in Northern Ontario should provide considerable consolation to those who are thus worried. The facts show that every operation had its ups and downs, its moments of uncertainty—and some of the best ones are having them to-day — only to come back later with a bang! Another fact that stands out is that the real big speculative profits were made in the shares of the majority of these operations after they had started production and in many instances, after the distribution of dividends had been undertaken.

Cause of Decline

The public is frivolous and the shorts or bears are wily. They know the shortcomings of a public market and when one of those moments of uncertainty in the life of a mine makes its appearance, it provides the moment the shorts live for.

To close students of the mines and market this seems about the best explanation of what is the matter with Central Manitoba. It takes years to make a mine anywhere and longer to make one in a new and untried camp. Very little is known about the geology of the Manitoba area and Central Manitoba engineers must work this out for themselves. Progress has been slow and will continue so, but will be speeded up and less expensive as the engineers come to know the geological quips and turns of the area.

Turn For Better

From a mine point of view, some of the turns for the better are already making their appearance. One of these is that stoping is showing a substantial increase in width. Bulges in the ore are always to be expected and the same with pinching, but A. D. Miles, president, reveals the interesting fact that folding has helped materially in width and the generally accepted 10 and 12 foot widths have increased in places to 16 and 18 feet. Surprises of this nature have been experienced in many of the other gold mines. Notably Lake Shore and Teck Hughes.

Central Manitoba is employing the shrinkage stope method of mining and this does not make ore for the mill in any great tonnage immediately. By this method, when the stope is started only enough ore is removed to make it possible for the miners to stand on this ore and break down more. In other words they draw off just enough to allow for freedom of movement. This means that at the start of stoping ore is none too plentiful, but it also means that when one or two stopes are completed there is always a substantial tonnage of broken ore ahead. But when the mine gets in balance, and as much ore is broken daily as goes to the mill, the benefit will be reflected in declining costs.

Values Are Good

The most recent data from the mine shows that the 375 ft. level drift has been continued for 453 feet, in which occasional assays for $10 and $12 are encountered in a strong face of quartz, which is encouraging from the standpoint of encountering another ore shoot at that horizon. The 250 foot sub-level east, is being continued and last assays show it to be averaging $10.80 per ton over a width of 4.3 feet. In stope No. 1 on the 125 foot level, 756 tons of ore were broken averaging $11.15 per ton. A new ore shoot has been located below the 375 foot level and drifting west from the winze on the 575 foot level has been started to encounter it.

In the Tene 6 section sinking has been resumed from the 140 foot level. Values here have always been somewhat higher than on the Kitchener, the first ten feet of sinking, averaging $17 per ton.

Small Portion of Break

The area under development is a very small portion of the entire break, as that portion of the break lying to the east of Tene 6 is entirely unexplored with the exception of surface trenching, where commercial values were found to exist. From information gained by stoping and drifting, it would now appear that the ore shoot has an easterly trend. The management have, therefore, decided to carry on lateral work on the 375 and 575 foot levels, which drifting should encounter any other ore bodies which may exist. When the habits of these ore bodies are more clearly understood, it will be possible to sink a new working shaft, the location of which depends entirely on this development.

Central Manitoba Mine has now reached a point where the dead work, necessary in opening up a new property has been largely completed, and with three to four years' ore supply ahead of the mill, progress in development should be more rapid. J. H. Stovel, for three years superintendent of the mine, remarked at a dinner given in his honor in Winnipeg by the Chamber of Mines, that as he was no longer employed by the company, he could now express his personal opinion, and stated that "Central Manitoba is on the verge of production that will far exceed the expectations of the average Manitoba citizen."

GRANDVIEW ORE IN SIGHT ABOUT MILLION TONS

Amalgamation With Adjoining Group Completed —Building New Mill

(From Our Vancouver Correspondent)

Grandview and Z-Canyon amalgamation which has long been projected has been completed according to an announcement made by the Grandview management. The two companies will join under one operating head, and expense the two adjoining properties. By the terms of the consolidation, the Grandview Company receives two shares of Z-Canyon stock for one of Grandview.

The two properties lie on the Pend Oreille River near Metaline Falls in the state of Washington and both have been active stocks on the Vancouver market since the beginning of the year. Large blocks of stock are held by British Columbians, who took a great deal of interest in the two Washington mines following the spectacular market action of Pend Oreille.

The plan of operation as near as can be judged by present reports is for the Grandview mill at present under construction to handle all ore from both properties. The mill is steel built throughout and its coarse crushing plant will have a capacity of 2,400 tons a day. The first unit of the fine grinding mill will have a rated capacity of 500 tons and this has been so built that units can be added as they are required.

The heavy machinery is now being installed by a powerful electrically operated crane travelling on a track forming part of the massive steel framework.

Orders have already been issued for the immediate driving of the main haulage tunnel for 1,200 from a point at the rear of the crushing plant. The tunnel will cross Z-Canyon ground and reach the immense surface outcrop of ore surrounding the No. 2 Grandview shaft. Grandview ore bodies exposed to date are said to be in excess of 1,000,000 tons.

MAY SOON DECIDE ON TOPLEY MILL

Company Rushing Work to Have Concentrator Plans Decided by Fall

Topley-Richfield, operating on Smelters section of British Columbia, may reach a stage this fall where concentrated plans can be gone on with. Tunnels are being run, crosscuts driven and diamond drilling proceeding with this end in view. President F. H. Taylor in his latest report on developments, says:

"Drill core at depth of 892 to 899 feet shows very strong ore body. This gives a vertical depth of about 600 feet at this point (the diamond drill hole was driven at an angle). Assays show $12 in gold and 9 ounces of silver to the ton. Also 15 feet of drill core adjacent to the above shows fair values. This showing assures future of Topley-Richfield, with a large tonnage of mill ore at depth.

"North drift in strong ore body, showing good values. The crosscut in the east ore zone shows some good gold and silver values obtained from the last 17 feet of the crosscut. The drift and crosscut were advanced 340 feet during July."

Lennard, Poisson & Waghorn Ltd.
Stock Brokers specializing in B.C. Mining Stocks
Members Vancouver Stock Exchange
517 GRANVILLE ST., VANCOUVER

Jay Copper - Gold Mines, Limited
(No Personal Liability)
Diamond Drilling at present underway at 500 ft. level to explore region from which all engineers feel the present known ore body emanated, and which they feel exists in much greater quantity at depth.
WATCH THIS STOCK
Fiscal Agents
Francis J. Hunter & Company, Limited
Mezzanine Floor - Mount Royal Hotel
MONTREAL, Que.

HOW NOVA SCOTIA GOLD GOT THERE STILL DEBATED

After Years of Production Geologists Still Disagree as to Origin

As knowledge of the geology, and nature of the ore depositions of a mining camp becomes known to the operators, the easier and less costly is the mining. The pioneer operator in any section has a hard battle as he must work out his own geology and has not the benefit of the experience of other operators to guide him.

It sometimes takes a considerable time to work out the geological structure and solve the moulding and faulting problems. In Ontario the Government geological staff does a good work. Visiting an area after it is fairly well developed, the Government geologists correlate the various facts and experiences and issue a report. One is now pending on Kirkland Lake.

In this connection there was a rather interesting incident at the meeting of the Mining Society of Nova Scotia. A paper was read on gold mining in the province and in the discussion which followed, the surprising fact developed, that after all the years and years of gold mining in that province, after millions have been produced and a tremendous amount of underground work accomplished, the geologists are still at ends in regard to the deposition of the ore shoots.

Dr. E. R. Faribault for years a member of the staff of the Dominion Geological survey, took up a statement of Sir Stopford Brunton that "the gold deposits and pay shoots do not depend so much upon anticlines and synclines as upon the fractures resulting from the disturbances caused by the intrusion of the granite masses," Dr. Faribault still maintained that they were directly related to the folding of the Sedimentary rocks and not to the forces produced by intrusions.

Field evidence shows that the granite did not penetrate or thrust itself up forcibly through the consolidated sediments, but that it slowly ate its way upwards and often at the contact the quartzite shows a gradual transition to quartzite-schist and gneiss and granite and the slate is changed to mica-schist and granite without any disturbance in the structure of the sediments. At other places the contact is sharp, the quartzite and slate and interbedded veins are cut clean off without any disturbance.

It was quite a technical discussion and Sir Stopford contended that he got his data from the mine manager.

W. Malcolm of the geological survey, said Sir Stopford was not hitting at a theory but a fact, and he thought that facts had been selected to support a theory.

A concluding remark of another speaker to this interesting discussion was that the practical side of mining is also of paramount importance.

SEEKING TIN ORES IN NOVA SCOTIA

Syndicate is Testing Out Gold River Area Worked Years Ago

The Nova Scotia Tin Syndicate, one of the many strong mining companies actively engaged in Nova Scotia operations, is doing extensive prospecting surface work for tin at Gold River, three miles from New Ross, Lunenburg County. Newton Meyer, chairman of the syndicate, is in charge of the field work and is confident that before very long a satisfactory tin development will be brought about. The operators intend to do some diamond drilling in the immediate future.

The Gold River deposit has already been worked and in 1912 and 1913 two shafts were sunk to depths of 35 feet and 55 feet respectively. A year later a third shaft was sunk to a depth of 35 feet. In 1913 the services of a British mining engineer, Chas. Leslie Scholz, Ph.D.' F.G.S., F.R.G.S., were retained and he made an exhaustive geological survey of the property. His report to the company was very encouraging and indicated that metallic tin was available in commercial quantities. Since 1914 there has been very little done with the property, but it is expected that the development will proceed rapidly now. Transportation facilities are excellent, the mine being near both water and rail. Power is available which makes the surrounding circumstances ideal for a prosperous development.

PREMIER SEEKING ORE FOR ITS MILL

Negotiating with Woodbine and May Try Later to Deal with B.C. Silver

Premier Gold Mining completed a thorough sampling of the Woodbine Gold Mining property, which in places adjoins the Premier, in the Portland Canal district. It is understood that Premier made the sampling to enable it to make an offer to mine and mill the Woodbine ore on a cost-plus basis, similar to that made to and refused by B. C. Silver Mines.

Premier mine cannot provide the mill with feed for much longer than another two years, and Premier is searching for ore to supply the mill and give employment to the staff of skilled experts after the Premier mine has been exhausted.

This, and the fact that Premier owns 38 per cent. interest in it, is one of the reasons Premier would like to make some kind of a deal with B. C. Silver. It is believed that ultimately these two companies will get together. The break on the last occasion they were negotiating came when Premier engineers cut the B. C. Silver estimate of ore in two.

Britannia's Tonnage Now at 5,000 Daily

Britannia mill of the Howe Sound Company, at Howe Sound, B. C., is now treating 5,000 tons daily. The mill was built in 1921, and had a rated capacity of 2,000 tons daily, a tonnage which it soon outstripped. Additions of coarse-crushing machinery at the bottom of the raise from the main haulage tunnel, through which all the ore passes, and of fine-crushing machinery and flotation cells in the mill building, from time to time, have raised the mill to its present capacity. Milling costs have been reduced to less than 40c. per ton, and the copper content of the tailing to less than 0.11 per cent. The mill makes two products, a copper concentrate, averaging around 21 per cent. of copper, and an iron pyrite concentrate, averaging around 49 per cent. of sulphur.

Mining Inquiries

Sherritt-Gordon

A customer is asking advice on Sherritt-Gordon shares. He would hold a year.

Sherritt Gordon shares have been reviewed several times of late. The company is in good hands and its financial position is quite strong. The shares are generally regarded as having excellent speculative possibilities for a hold.

Abana

Would you advise me to buy Abana at the present price?

In discussing Abana with one of the directors recently, he figured out that on a conservative estimate Abana had $10 worth of ore already proven for each share of stock outstanding. This did not include any estimate of the recent discovery of new ore which increases the possibilities of the operation in a large way. Abana is now erecting a concentrator and should be ready to produce late in the fall and will team its concentrates out to the railway.

Bidgood

What is the explanation of the decline in the price of Bidgood shares?

Bidgood suffered from over enthusiastic boosters who ran the shares up to a point that was not justified by the position of the enterprise. This resulted in many people loading up heavily on margin. Then came the break in the general market and found the stock in a weak technical position. The shorts soon realized this and pounded it down. There is nothing wrong with the mine, it is better to-day than when the shares were selling about three times as high as the present price.

Astoria

Some time ago I purchased 5,000 Astoria Rouyn. I think I should sell them. What is your opinion of disposing of them at the present?

In our issue of Aug. 10 you will find a review of a progress report on Astoria Rouyn. They seem to be getting along fairly well. The present of course is a bad time to sell shares of any of the mines. The market is decidedly sluggish and prices are off color. It is a buyer's instead of a seller's market. When the market picks up and further good news comes out, it is possible that a much better price will be realized.

Nipissing

I hold 500 Nipissing which cost $5.50. What is the outlook? I am considering taking my loss.

Nipissing shares are down the same as practically every issue in the mining list. One of the weaknesses about this issue is that its Cobalt properties are steadily slipping. The company has a substantial holding in the Robb Montbray property in Quebec. This has opened out fairly well but it is not yet proven in a substantial way. The company is also exploring the Lebel Oro in Kirkland Lake and this is looking important. The company's cash position is a strong one which will enable it to continue the hunt for new mines.

Central Manitoba

I hold common shares of Central Manitoba Mines. Have you any information that would lead you to believe it wise to sell, or would you hold?

There have been a number of bearish reports going the rounds in regard Central Manitoba Mines and this coupled with activity of short interest in the shares, broke the price down. We have told several of our readers that we believe that would be foolish to sell shares at the present market. Central Manitoba Mines, is still very much a development operation and has possibilities of a substantial nature that are yet to be tested out. Practically all the gold mines of the North have experienced trials and tribulations, ups and downs before they get really on their feet. The experience of Central Manitoba Mines is no different. Our understanding is that the mine is looking as good as it ever did.

Last Bull Market

What time last year did the mining market reach its height? What does Arno look like?

Mining movement reached its peak during latter part of November, eased a little and later came back but not to the November high.

Arno mines are a speculation that have some promise for speculative profits. Coxheath has a good chance to make good as a gold producer.

Jay Copper

Jay Copper shares are being sold in P. E. I. at $1 and I notice that they are being traded in an the unlisted section of the mining exchange at 15 cents. What is the outlook?

Jay Copper seems to be the best of the three issues which you mentioned. Opinion prevails even among insiders that the mining end of this enterprise has been much better handled than the financial and our understanding is that the properties are looking quite well. There has been a feeling for some time, however, that a reorganization would be necessary and this may eventually come. Of course it is easy to understand the discrepancy between the price which the company is asking for shares and what they can be purchased for on the unlisted market. The latter is never a fair barometer as in most cases the sales are sacrificed although occasionally you will find some insider who got stock at a few cents quietly slipping some out. A company can ask any price it likes for its shares.

Noranda - Teck-Hughes

I would appreciate your opinion as to the relative merits of Noranda and Teck-Hughes at the present market.

One of our readers is considering buying 1,000 Noranda at the present market. We discussed this issue quite fully in our reply to him which was published in our issue of Aug. 10. It is rather difficult to compare Teck Hughes with it.

Teck Hughes now ranks second to Hollinger in gold production in Ontario and is developing rapidly. In our issue of Aug. 3 you will find an article giving the latest new developments and in the issue before that there was a rather detailed article. The full possibilities of this operation from an earnings point of view cannot be sized up as yet, but they appear to be substantially greater than as at present. One hears considerable talk of the high costs of this operation. The reason is that there has been a heavy development program carried out each year and this has been met out of earnings. The Financial Post 1928 Survey of Mines is now available and you will find balance sheet figures for five years which will enable you to size up the whole situation.

NEW QUEBEC SYNDICATE

Quebec Malartic syndicate has been organized to explore a group of claims north of Malartic Gold Mines and adjoining Sudbury Basin's holdings in this area.

Rand Ore is Looking For Duncan Ex

Thirty men are employed Rand Ore property, adjoining can at Narrow Lake. W. M in charge and camps are being The company not long ago a additional four claims from Liskeard Prospectors Syndi these are being trenched and test It is believed that the Duncan which gave such excellent surf ues extends on to Rand Ore pro

SWEDISH AMERICAN PROSPECTING COMPANY OF CANADA, LIMITED
1011 Metropolitan Bldg., Toronto 2, Ont.
26 Beaver St., New York City
HANS LUNDBERG

G. S. SCOTT Mining Geologist
P. O. Box 1328 SUDBURY Mackey Bldg.
Examinations, Reports, and Valuations, Geological Surveys and Supervision of Exploration.
Specialty: Periodical inspections and reports for operating companies with respect to geology and development.

Wightman & Company
Members Montreal Mining Exchange
Fiscal Agents
CHIBOUGAMAU PROSPECTORS LIMITED
111 Mountain Hill
Quebec, P.Q.

WE SPECIALIZE IN BRITISH COLUMBIA MINING STOCKS
Buying and Selling orders promptly executed on the Exchange
THOS. STEELE & SON, LIMITED
Stock and Bond Brokers
219, 220, 221 Rogers Bldg., Vancouver
Members Vancouver Stock Exchange

F. G. OKE & CO.
Mining Stock Brokers
LONDON ST. THOMAS KITCHENER BARRIE
ORILLIA WINDSOR LINDSAY PETERBORO
Head Office:
OKE BUILDING 304 BAY ST.
TORONTO

Sutherland & Partners
LIMITED
STOCKS — BONDS — GRAIN
All offices equipped with Board Room and connected by direct wires with New York, Chicago and Winnipeg.
Branch Office: Dundas & Keele Sts., Toronto.
Head Office: King Edward Hotel, Toronto.
Branch Office: 29 Richmond St. W., Toronto.
H. H. Sutherland, Member — STANDARD STOCK & MINING EXCHANGE, CHICAGO BOARD OF TRADE, MONTREAL MINING EXCHANGE

GILLESPIE, HART & TODD, LTD.
Investment Bankers
Stock Brokers
General Financial Agents
Members of Victoria and Vancouver Stock Exchanges
Victoria, B.C.

SPECIALISTS IN MINING SECURITIES LISTED AND UNLISTED
STOBIE-FORLONG & Co
STOCKS BONDS GRAIN
Head Office
BAY AND WELLINGTON STS. TORONTO
PRIVATE WIRE SYSTEM CONNECTING BRANCH OFFICES AND MONTREAL, WINNIPEG, VANCOUVER, AND NEW YORK

HATCH & PALMER
Mining Engineers and Geologists
ST. JOHN'S, Newfoundland
H. B. HATCH C. H. PALMER
Examinations. Reports. Exploration

Ask For Our Semi-Monthly Canadian Mining Bulletin
"Canadian Mining Truths"
Atwell & Co.
Members Montreal Mining Exchange
Imperial Bank Chambers
610 St. James St. West
MONTREAL

We Recommend
MARMOT CONSOLIDATED MINES
Initial offering 35c per share
ARTHUR J. BROWN
MEMBER VANCOUVER STOCK EXCHANGE
Associated with
PORTLAND CANAL BROKERAGE CO. LTD.
Seymour 4876 714 Pender St. W. Vancouver, B.C.

BEATON & COMPANY
LIMITED
MINING BROKERS
MINE OPERATORS & PROMOTERS
VANCOUVER, B.C.
MERCHANTS EXCHANGE BUILDING
815 Hastings St. West
Telephone Douglas 630-631

G. H. GUY & COMPANY
LIMITED
Mining Brokers
DIRECT WIRE SERVICE BOARD ROOM FACILITIES
Telephones: Queen 198 and 199
201 Sparks Street, Ottawa, Can.
"DEPENDABILITY OUR FOUNDATION"

Instantaneous Service and Execution of orders on
BRITISH COLUMBIA MINING STOCKS
Bond Dealers in all British Columbia Municipal and Industrial Issues.
BRANSON, BROWN & CO., LTD.
627-8 Rogers Bldg., Vancouver, B.C.
Central Bldg., Victoria, B.C.
Correspondents of LOGAN & BRYAN.
Members of Vancouver Stock Exchange, Victoria Stock Exchange, B.C. Bond Dealers Association, Winnipeg Grain Exchange.

We recommend first issue of Mohawk Mining Company Shares as a profitable investment
VIKING FINANCE LIMITED
Sponsoring B. C. Mining Issues of Merit.
All Company securities are offered by this firm only after examination of properties by our staff engineers.
Phone— Seymour 3411
Edward C. Brown, Managing Director
912-914 Birks Bldg., Vancouver, B.C.

An
Authoritative Work
for
Mining Investors
THE SURVEY OF MINES is the only complete record of mining activity in Canada available in a permanent form.
It contains information, with comparative figures on stock market values, production, mining costs, dividends and ore values of every mining camp, and every producing and developing mine in Canada.
It is a sturdily bound volume of over 300 pages. It is published by The Financial Post, Canada's leading investment paper.
The entirely new and up-to-the-minute 1928 edition is now ready. Over 8,000 copies have already been sold. The balance will not last long.

There is only one way to be sure of having a copy for constant use during the coming boom in the mining market. Send one dollar to-day for your copy.
Hundreds were disappointed last year when whole issue was quickly sold out; *Order Now!*
300 pages 3000 mines —and yet it costs you only $1.00
USE THIS COUPON
THE FINANCIAL POST,
143 University Ave., Toronto, Ont.
Send me The Survey of Mines, 1928, for which I enclose $1 (copies paid in advance are mailed postage prepaid).
Name ....
Address ....
City .... Prov. .... F.P.